FBIS

DAILY REPORT

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INVOLVEMENT IN TURKISH CONSULATE ATTACK DENIED

AU251801 Sofia BTA in English 1629 GMT 25 Nov 86

["BTA Announcement" -- BTA headline]

[Text] Sofia, November 25 (BTA) -- On November 23, 1986, UPI and FRANCE PRESSE transmitted the news of a bomb attack on the building of the Consular Representation of Turkey in Melbourne, the responsibility for which has been taken by a "Greek-Bulgarian-Armenian front". The attack had allegedly been carried out in protest over the policy of genocide and violence in Turkey.

BTA categorically denounces all allegations about any Bulgarian involvement in this inhuman act and regards them as new and deliberately fabricated anti-Bulgarian slanders and speculations. The international public is well aware of the fact that the People's Republic of Bulgaria is opposed to and fights actively against terrorism in all its forms and manifestations. BTA hopes that the competent authorities in the Commonwealth of Australia will find out and punish those responsible for this crime.

DYULGEROV RECEIVES PRC TRADE UNION DELEGATION

AU221529 Sofia BTA in English 1946 GMT 21 Nov 86

[Text] Sofia, November 21 (BTA) -- Mr. Petur Dyulgerov, alternate-member of the Politburo of the CC of the BCP and chairman of the Central Council of the Bulgarian Trade Unions, received the visiting here [as received] delegation of the All China Federation of Trade Unions led by Mr. Wang Shenxiang, secretary and member of the Presidium of the Federation.

The two sides expressed desire for widening of the contacts and cooperation between the two trade unions. They stressed their joint desire for further widening of the relations, for exchange of delegations and working groups, for exchange of information and experience.

The Chinese TU figures expressed their satisfaction with the opportunity to have a closer look at the social and economic development of Bulgaria, to be familiarized with the activity and experience of the Bulgarian trade unions.

BCP DAILY REVIEWS RECENT MOSCOW CEMA SESSION

AU260914 Sofia RABOTNICHESKO DELO in Bulgarian 16 Nov 86 p 1

[Editorial: "Unity of Action of a New Qualitative Level"]

[Excerpts] We end this week with a remarkable political event: A regular meeting of the leaders of the fraternal parties of the CEMA member states took place in Moscow on 11 and 12 November. Together with the 42d session of CEMA, which took place earlier in Bucharest, the Moscow summit again focused the world's attention on the issue of the comprehensive progress of the socialist world and on the ever more active cooperation and integration of the socialist countries.

The summits already have a solid tradition of being the supreme organs and centers for forecasting, planning, and directing the political, socioeconomic, and intellectual cooperation of the states participating in the economic organization of the socialist community. [Passage omitted surveying the economic successed of the CEMA member-states in recent years.]

It is obvious that while deversified national conditions do exist, the socialist countries nevertheless are solving common tasks. The main one is to accelerate their socioeconomic development by intensifying social production and generally increasing efficiency through the application of the scientific-technical progress. [Passage omitted quoting the BCP Central Committee Politburo decision appprcving the results of the Moscow ssummit.]

One of the most significant orders of the 13th BCP Congress refers to the new qualitative growth of the economy. The work aimed at acceleration and modernization, and achieving a new state of society also characterizes the efforts of the other fraternal parties. The solution of this common problem of the socialist community can only be achieved through collective actions and ever more effective economic integration. The socialist countries are now devoting their main attention to implementing a large-scale scientific production-sharing on the basis of the comprehensive Program for the Scientific-Technical Progress of the CEMA Member-States Until the Year 2000. The issues related to the pace, scope, and scale of specialization and production-sharing on a multilateral basis, the economical utilization of material resources as a reserve for successfully solving the raw material-energy problem; the complex solution of transportation problems; and the long-term development of nuclear power supply, acquire paramount importance in this context.

Evaluating the results of the Moscow summit the BCP Central Committee Politburo unanimously approved the analysis and proposals made at the summit by Comrade Todor Zhivkov related to further developing and perfecting comprehensive cooperation within the CEMA framework and to the present international situation. On this occasion the Bulgarian communists and our entire people warmly approve the USSR position at the Reykjavik meeting, which represented an impressive expression of the rescuing program of the socialist world for peace and security on our planet.

Our fraternal parties, countries, and peoples are entering a historical stage, at which our mutual relations are being elevated to a new qualitative level. Our firm unity, cohesion, and unity of action in the name of the noble communist ideals are a guarantee of our successes now, as in previous years.

REPAIRS AT DEVNYA CHEMICAL PLANT PROCEEDING

AU221937 Sofia Domestic Service in Bulgarian 1830 GMT 22 Nov 86

[Text] The restoration work at the Devnya Chlorine and Polyvinyl Chloride-2 Plant are proceeding at an accelerated rate. Most of the roads and buildings have already been cleared, dozens of panels have been replaced, and thousands of square meters of glass have been set in place. The chemists and workers engaged in the repairs are on 24-hour duty. The aim is to recommence production of chlorine, caustic soda, and hydrochloric acid at the end of this month.

In Devnya and all the territorial systems of Varna Okrug, the labor collectives are taking on additional premises for fulfillment of the annual plan in order to make up for the losses due to the production accident.

SEW DELEGATION HORST SCHMITT DEPART 21 NOV

AU221534 Sofia Domestic Service in Bulgarian 2030 GMT 21 Nov 86

[Text] The SEW delegation, headed by Horst Schmitt, SEW chairman, departed from our country today. At Sofia airport the guests were seen off by Comrades Milko Balev and Dimitur Stanishev, as well as by other officials.

HAMAN DISCUSSES WINTER ENERGY PREPARATIONS

AU240830 Prague RUDE PRAVO in Czech 20 Nov 86 pp 1, 2

[Interview given by Josef Haman, candidate member of the Presidium and secretary of the CPCZ Central Committee, to RUDE PRAVO and Bratislava PRAVDA: "Nothing Must Be Neglected in Preparations for the Winter" -- date and place of interview not given; opening paragraph is newspaper's introduction]

[Excerpts] At the beginning of November the CPCZ Central Committee Presidium and the CSSR Government discussed a review of the state of preparedness of the national economy in terms of fuels and power for the coming winter season. Comrade Josef Haman, candidate member of the Presidium and secretary of the CPCZ Central Committee, has granted the editorial offices of RUDE PRAVO and PRAVDA an interview on this topical issue, which is of interest to the work collectives of virtually all industrial and other manufacturing branches, but also to some sectors of the nonproduction sphere and to many Czechoslovak citizens.

[RUDE PRAVO, PRAVDA] Comrade secretary, how would you appraise the general state of preparedness for the coming winter in fuels and power?

[Haman] One can say that, generally speaking, individual minstries, their economic production units and enterprises, as well as national committees have been paying considerabe attention to preparations for the coming winter season and continue to do so. [passage omitted]

However, aside from this positive assessment of work carried out thus far, the CPCZ Central Committee Presidium stressed that under the impact of the until now regular supplies of fuels and electricity we must not overestimate anywhere the results that have been attained and must not permit any manifestations of carelessness and self-satisfaction with the state of preparations for the winter and underestimate the tasks that are ahead of us. [passage omitted]

The regular assessment by the highest party agencies of the development and state of ensuring supplies of fuels and electricity is fully justified. It is not a question of replacing the relevant state and economic agencies and reducing their immediate responsibility for the situation in the sector entrusted to them, but a question of contributing by demanding party control at all levels of management to the timely elimination of shortcomings and to the concentration of resources on the main tasks. There is an awareness of political responsibility for ensuring that there will not be any breakdowns in the fuel-power sector for subjective reasons, breakdowns that might jeopardize the fulfillment of the tasks of the Eighth 5-Year Plan.

[RUDE PRAVE, PRAVDA] What is the nature of the new needs and changed conditions in the sphere of fuels and power?

[Haman] It is, for example, necessary to make up for the shortfall (of about .5 billion kilowatt hours) in the planned production of electricity at hydroelectric power stations, caused by the low rate of flow in our rivers. There is also a need for additional electrical exports (of roughly 1 billion kilowatt hours) in order to ensure some import needs. [paragraph continues]

As a result of the Chernobyl nuclear plant accident, there was also a temporary reduction in planned electrical imports (by about 1.2 billion kilowatt hours), for which, however, the Soviet Union, despite its uneasy situation, virtually compensated with additional deliveries of natural gas. We are also forced to resist the tendency to exceed the planned domestic consumption of electricity, natural gas, and coal, a tendency that is manifested particularly in the nonproduction sphere. All these factors account for deviations from the planned volume and structure of our fuel-power balance.

[RUDE PRAVO, PRAVDA] What factors make it possible for us to cope with these deviations while avoiding a negative impact on the regular delivery of supplies?

[Haman] It is, above all, the stabilization and consolidation in the construction of nuclear power stations in the last 2 years. This year nuclear power stations will generate 10 billion kilowatt hours of electricity more than in 1984, which is roughly a 2.5-fold increase. The third unit of the Dukovany nuclear power station is presently being prepared for a trial run. Adding it to the six already existing and reliably operating VVER-440 units will undoubtedly contribute to improving the fuel-power balance this coming winter. The generation of electricity in nuclear power stations should reach roughly 21.5 billion kilowatt hours next year, that is, 25 percent of total electricity production. [passage omitted]

Still, to ensure a balance between electrical supply and demand, steam power stations will have to produce more electricity than planned this year. Nevertheless, electrical production in steam power stations will be a full 8 percent lower than it was in 1984.

[RUDE PRAVO, PRAVDA] Does this mean that we need not worry too much about electrical supplies?

[Haman] Of course, this is not so. Electricity must be handled economically everywhere, the agreed consumption charts must be adhered to. This was incidentally also the reason for temporarily introducing the so-called "seventh regulatory degree" for large consumers at the beginning of October. Although this degree does not provide for any "cuts," it requires strict adherence to the consumption charts. [passage omitted]

To be able to cope with possible extraordinary vicissitudes, it is also necessary that our power grid be prepared for possible interruptions in parallel cooperation among the power grids of CEMA countries. Such an interruption occurred, for example, at the beginning of 1985. [passage omitted]

[RUDE PRAVO, PRAVDA] What is the situation with regard to the stocks of solid fuels, and what demands on our miners does it imply?

[Haman] The higher-than-planned electrical production in steam power stations naturally resulted in a higher coal consumption. This, in turn, partially reduced the planned level of coal stocks in some power stations before the onset of winter. [passage omitted]

In this connection, I would like once again to voice appreciation for the dedication and initiative of our miners, who have committed themselves -- as discussed on the occasion of this year's Day of Miners and Power Industry Workers -- to exceed the planned tasks in coal mining by roughly 3 million metric tons, of which about 1 million metric tons should be graded coal. Most of this increase should come from the two coal basins below the Krusne Hory mountain range. [passage omitted] This excess production establishes prerequisites for ensuring the necessary supplies of solid fuels for the upcoming winter season, although there remain considerable problems in the production of coal that lends itself to coking. [passage omitted]

[RUDE PRAVO, PRAVDA] What is the situation with regard to the supplies of graded coal and other fuel-power resources to our households?

[Haman] [At their November session] the CPCZ Central Committee Presidium and the CSSR Government placed exceptional emphasis on ensuring supplies of graded coal to the population. Although the Coal Depot enterprise has received to date 70,000 metric tons of coal more than it received by the same time last year, there continue to be shortcomings in some localities in the provision of graded coal before the onset of winter. These shortcomings must be removed rapidly and operatively. [passage omitted]

However, given the objectively declining resources of graded coal, it is unconditionally necessary to be able to meet the needs of the population in the years to come to speed up the transition of large consumers from graded coal to less valuable fuels. The provisions for this transition have been inadequate thus far. In this connection, we must subject to criticism the slow progress in the modernization of the boiler economy and in deploying modern measuring and automated regulatory equipment. The relevant machine building and electrical engineering enterprises, as well as other organizations, must respond more flexibly to these ugent needs.

In the past years we always consistently saw to it that possible difficulties and irregularities in the supplies of fuel and power resources were not dealt with at the expense of the population. We will, naturally, proceed in this way in the future as well. All the greater is the moral right of our society to demand that the households, too, make an economical use of fuels and electricity, on the production and acquisition of which we are forced to spend formidable resources must be used rationally, without any unnecessary waste.

[RUDE PRAVO, PRAVDA] Will there be enough heating gas for the needs of the national economy this winter?

[Haman] Generally, favorable conditions for the supply of heating gas in the upcoming winter season have been created in the course of the year. The underground gas reservoirs have been filled to capacity. [passage omitted]

However, this by no means rules out the possibility of having to resort to the regulation of deliveries of heating gas to large consumers in the event of longlasting severe frost (that is, if average daily temperatures drop below minus 5 to minus 7 degrees centigrade) or long-term irregularities in the routine deliveries via gas pipelines. The fact is that, for technological reasons, there is a limit on the amount of natural gas that can be pumped out of the underground reservoirs every day. All the greater is the importance of creating maximum stocks of heating oil, especially if the fuel base permits an operative replacement of natural gas in the event of regulation. [passage omitted]

In the interest of establishing better prerequisites for regular supplies in the years to come, the importance is also being reaffirmed of further expanding storage facilities for crude oil and crude oil products and underground gas reservoirs, as well as the importance of building fuel bases that permit the use of two types of fuel. It will also be necessary to work out measures that would switch at least some energy-intensive types of production from the winter months to periods of lesser consumption of natural and city gas.

[RUDE PRAVO, PRAVDA] How is the program of streamlining the consumption of fuels and power being fulfilled this year and how does the energy-intensiveness of the creation of national income develop?

[Haman] According to preliminary calculations, we can assume that the energy-intensiveness of the creation of national income might decline by about 2.8-3 percent this year, which is roughly in keeping with the task set by the 17th CPCZ Congress. The state target program No 02 is being fulfilled in principle. [passage omitted]

However, the findings of regional and district party agencies and the results of inspections carried out by the State Energy Inspectorate also confirm that a number of shortcomings and untapped potentials continue to exist in this area. [passage omitted] That is why every enterprise and organization, the housing economy, and every workplace of the production and nonproduction sphere must pay far greater attention to the question of energy conservation than has been the case thus far. Emphasis must be placed, above all, on the observance of discipline by energy users, on the introduction of order into consumption norms, and on greater initiative in applying progressive methods and experiences. [passage omitted]

STROUGAL CHAIRS JOINT GOVERNMENT-UNION SESSION

LD242341 Prague Domestic Service in Czech 1730 GMT 24 Nov 86

[Text] Chaired by Federal Premier Lubomir Strougal and Chairman of the Central Council of Trade Unions Karel Hoffmann, the joint session of the Federal Government Presidium and the Central Council of Trade Unions Secretariat was held in Prague today. Those present discussed the joint proceedings in the implementation of the conclusions of the 17th CPCZ Congress in the economic sphere, especially in the plan fulfilment this year and the tasks in 1987 and development of the initiative of the working people. They praised the results of the initiative of the Central Council of the Trade Unions and the appeal of the Prague enterprises to bring research and production closer together and spoke about the necessity of creating the conditions for deepening this movement further.

The federal minister of finances and the federal minister of labor and social affairs were charged with directing the central bodies in their ministries to ensure wider implementation of the team contract method in the eighth 5-year plan than at present.

Those present also discussed the joint proceeding of the Federal Government and the Central Council of Trade Unions in preparing the 11th All-Union Congress and in preparing the principles for amending the Labor Code. These changes are to create conditions for intensification of production and further reinforcement of work discipline.

Hoffman Addresses Council

LD252238 Prague Domestic Service in Czech 1730 GMT 25 Nov 86

[Excerpts] The 2-day 16th plenary meeting of the Central Council of Trade Unions ended in Prague today. [passage omitted]

Karel Hoffman chairman of the Central Council of Trade Unions, spoke at the end of the meeting:

[Begin Hoffmann recording] It is still true that the more we want to increase the living standard of the working people and to tackle existing problems, the more we must be interested in the creation of necessary resources; the fulfillment of the tasks of the eighth 5-year plan; the fulfillment of the 1986 plan, especially with regard to qualitative indices; and to attain a 3.5 percent increase of the national revenue. This urgently requires we more fully develop the working people's initiatives and to concentrate it on higher output and efficiency, better qualty, and better utilization of material in production.

As many of you have said here today, this also needs stimulation for workers, better work organization, order at each workplace, and better work, technological and planning discipline. This at the same time means the creation of the necessary conditions to make it possible for workers to express their views on these economic, production and working issues, and that their comments and proposals are received with greater attention and are discussed more thoroughly.

The presidium's report emphasized that results so far are not in keeping with the plan or the possibilities, and it put forward proposals on how to improve our work and how to fulfill more efficiently the economic role of trade unions. We must appeal to all trade union bodies and every individual official to make them realize their responsibility and increase their contribution to the work of the trade unions in the economic sphere.

It must be repeatedly said that without the faster advancement of the economy, and in particular the growth of national revenue, it will not be possible to continue to increase the living standard of the working people and the rest of our citizens. [end recording]

The resolution of the 16th plenary session of the Central Council of Trade Union requires that all trade union bodies and the Revolutionary Trade Union Movements primary organizations continue increasing their effort to attain the best possible results in the fulfillment of this year's plan, and make use of the time up until the 11th All-Union Congress to mobilize the working people toward the implementation of the 1987 tasks.

RADIO DETAILS ANNUAL DEVELOPMENT AID

DW270730 East Berlin Domestic Service in German 1200 GMT 23 Nov 86

[Summary] "The GDR spends about M2 billion every year on development aid," which is about 1 percent of the country's 1985 national product. The GDR cooperates actively in various UN special organizations dealing with development aid for the Third World. Besides comprehensively supporting UNICEF's measures in Asia, Africa, and Latin America by supplying medicines and vaccines to those countries, the GDR also "provides substantial aid in other fields, for example baby food, clothes, blankets, and school materials. Specially developed equipment for the alphabetization campaigns in Africa and Latin America have been supplied to 15 countries on those continents. In Sao Tome and Principe, West Africa, the GDR set up an obstetrics clinic, which has considerably contributed to lowering infant mortality. The GDR, together with the Finnish Africa Committee, is now setting up a day nursery in Angola for Namibian children living in refugee camps."

The GDR's development aid also includes the training of experts. "Since 1970, the GDR has trained 60,000 specialists from developing countries, including 20,000 university cadres." The country's participation in scientific projects such as hydrology is another important field. To that end, experts from Third World countries attend special classes at Dresden Technical University.

COMMENTARY CALLS FOR DISARMAMENT CONFERENCE

DW251350 East Berlin Domestic Service in German 1600 GMT 24 Nov 86

[Guenter Leuschner commentary]

[Text] Following the successful conclusion of the Stockholm conference, it will now have to be decided in Vienna what should be done next. A decision on a European disarmament conference would be a very concrete contribution to the central issues that the Vienna meeting could make. Another contribution could be for the 35 nations to make clear to the world that they will not permit a return to the pre-Reykjavik situation. That would constitute the European contribution to a world without nuclear weapons, which was also frequently advocated by Western politicians prior to the Vienna meeting.

Both are being thoroughly discussed, even though not as unanimously as we would have hoped. Let us take the Stockholm conference, for instance, and the assessment of those confidence-building measures that will become effective as of 1 January. Everybody talked about a big success and the most important result in years of the entire CSCE process. Nobody -- and this is important -- said that the result was not sufficient to begin Stockholm II, the disarmament stage. That is important because there should be no objection on principle to convening a European disarmament conference.

The socialist countries want such a conference, and in that second phase they want to hold parallel negotiations on further confidence-building measures, as well as on disarmament. They attach importance to participation by all 35 CSCE countries. After all, European disarmament is at stake. They are, of course, aware of the special role played by the two military blocs. They, in particular, will have to reduce their conventional forces, not -- at least at the beginning -- countries like Austria or Switzerland. That is also why we advocate contacts between NATO and the Warsaw Pact, so as to discuss the practical steps to begin the negotiations.

NATO has faced that clear concept with a great lack of clarity. First of all, the opinion-forming process in the Western alliance has not been concluded. They keep saying that they need time -- to the middle of December at least, possibly longer. Nobody disputes that differences are behind such time requirements or that difficulties have been created, in particular by the United States. SUEDDEUTSCHE ZEITUNG wrote on 4 November -- I quote: The Americans want negotiations between the two pacts. They have misgiving about alliance discipline if neutral and nonaligned countries also want to have a say. End of quote. Such a statement was indeed made by the head of the U.S. delegation, Zimmermann. It speaks for itself. At the plenary session last Thursday, Zimmermann spoke for 20 minutes about the Stockholm conference, without even once using the term disarmament. That also speaks for itself.

If the United States does not view a European disarmament conference positively, how about its allies? That is more difficult to assess, even though we can assume that countries like Greece, Denmark, Norway, and others want negotiations on disarmament in Europe. It is particularly difficult to assess the FRG position. On the one hand, Foreign Minister Genscher in an interview several weeks ago said that the decisive task of the Vienna follow-up meeting was to establish a forum for conventional disarmament negotiations. On the other hand, in his Vienna speech he toned down that statement somewhat.

Whether the fact that FRG generals like Mack and Altenburg have distanced themselves from the reduction of all intermediate-range missiles agreed upon in Reykjavik will also have an effect on Vienna, and whether it is a isolated act by the military or means that the Bonn government is moving away from earlier positions, as suspected by the SPD, for instance -- while all that is not for the moment clear to observers here, it also is not ruled out.

That state of affairs within NATO has also led to uncertainties among the neutral and nonaligned countries. It is certainly not by coincidence that Austria's ambassador (Torowski) has called upon the NATO countries to settle their differences quickly. He has done so because most of the neutral and nonaligned countries advocated a European disarmament conference, whereas Switzerland, for example, traditionally orients its position toward NATO's. [passage omitted]

An early yes by all 35 countries to a European disarmament conference will create clarity on the crucial issue of the Vienna meeting, have a positive effect on its whole course, and in addition counteract the attempts of some political forces to move away from Reykjavik step by step. Those who want to stick to Reykjavik have to say yes to a European disarmament conference.

BRIEFS

NEW AMBASSADOR TO INDONESIA -- On 6 October Suharto, president of the Republic of Indonesia, received Siegfried Kuehnel, ambassador extraordinary and plenipotentiary of the GDR, for the presentation of his credentials. In the talk both sides reaffirmed their states' will to actively contribute to strengthening world peace and improving the international situation. They agreed that the relations between the GDR and Indonesia will continue to develop to the benefit of both peoples. [Summary] [East Berlin NEUES DEUTSCHLAND in German 8-9 Nov 86 p 2 AU]

IRANIAN ARMS DEAL SEEN AS U.S. POLICY CRISIS

AU251311 [Editorial report] Budapest NEPSZABADSAG in Hungarian on 21 November carries two items by its Washington correspondent Andras Kereszty, which are based on U.S. press reports criticizing U.S. arms sales to Iran.

In a 270-word dispatch on page 2 entitled "Reagan Justifies Arms Supplies to Iran" on the press conference given by President Reagan on 19 November, Kereszty notes that U.S. press reports have said that President Reagan failed to convince his audience that the arms deals had not violated the law and that no decisions had been made regarding the resignation of Secretary of State Shultz. He also notes that Reagan's statements were immediately criticized by Democrat Sam Nunn, and Republican Richard Lugar.

On page 6 of the paper there is a 1,100-word "commentary" by Kereszty, entitled: "USA-Iran -- Reagan's Boomerangs." It relies almost entirely on quotations from or references to U.S. media reports. Kereszty notes that according to James Reston, Reagan is "provoking something he does not need, a strong fight with the Congress." Kereszty notes that the case of arms deliveries to Iran has become the "big political issue" in Washington following the difficulties the administration had to face during the fall. He recalls incidents ranging from the Zakharov-Daniloff affair to the trouble with Libya and Nicaragua and the CIA, and says: "After all this series of foreign political bumps, now comes a stumble in domestic policy in the election campaign. As of January the Senate will be run by Democrats." Kereszty again reports the press conference and notes the many critical questions Reagan was facing regarding the arms affair and the "internal political circle" very similar to the time of Nixon.

He concludes: "This is the first time in the 6 years since President Reagan has been in office that he has found himself in a defensive situation. As Charles Krauthammer writes in THE WASHINGTON POST, somebody must resign. Shultz informed his colleagues that he would not be this somebody. He believes that as a secretary of state, he still has a job to do. (Of course, this would not prevent him from resigning out of resentment.) What will happen? Will the White House sacrifice a pawn like Lieutenant Colonel Oliver North who is responsible for secret affairs in the Security Council?

"The White House has experience in handling crises, but has no policy for dealing with them. Actions this fall have increasingly thrown light on the United States' foreign policy crisis, which is now leading to a domestic political conflict."

NEPSZABADSAG DISCUSSES ECONOMIC RENEWAL WITH USSR

AU200500 Budapest NEPSZABADSAG in Hungarian 25 Oct 86 p 7

[Roundtable discussion led by NEPSZABADSAG correspondents Zsuzsa Gal and Istvan Zalai with Soviet and Hungarian economic experts: "Soviet-Hungarian Roundtable Discussion on Economic Renewal" -- date and place not given -- first paragraph is newspaper's introduction]

[Text] A Hungarian-Soviet meeting of economists was held this week in Hungary and a Joint Hungarian-Soviet Committee of Economists was established. [paragraph continues]

We used this occasion to invite to the NEPSZABADSAG roundtable discussion the following economists from among the two countries' experts present at the meeting: Academician A.G. Aganbegyna, head of the Research Institute of the Territorial Placement of the Forces of Production of the Soviet Academy of Sciences; E.A. Anchishkin, academician and head of the Research Institute of Economics and Forecasting of Technological Progress; O.R. Latsis, department head of the Research Institute of the Socialist World Order of the Soviet Academy of Sciences; Janos Deak, head of the Institute of Market Research; Rezso Nyers, councillor at the Institute of Economic Sciences of the Hungarian Academy of Sciences; and Emil Nyul, head of a faculty at the MSZMP Political College. NEPSZABADSAG was represented by chief staff member Zsuzsa Gal and columnist Istvan Zalai.

[NEPSZABADSAG] Both the Soviet Union and Hungary are looking for methods to accelerate the people's economy through intensive development. In spite of the different circumstances, the economic reform conducted in our countries has many points in common. In your view, what are the main issues of economic renewal?

[Latsis] In the Soviet Union, and, as far as I know, in Hungary as well, one of the most important issues among the numerous issues of the reform is the type of relations between the central management and the enterprises. In order to be able to successfully carry out the renewal of the economy -- at least as far as I can judge based on my own experiences -- we must eliminate certain prejudices, such as, for example: that centralism here is too strong and that, therefore we must decentralize the management and increase enterprise independence, and this can be successful in itself. At the same time, however, the analysis of economic practice shows that there is a lack of necessary centralization, because what we call centralism is in reality not a concentration but often bureaucracy. Details like, for example, what to produce and where are dictated on paper from the center.

Unnecessary Interference

[Nyers] I would add a little and perhaps even argue a little with Comrade Latsis' conclusions by saying that overcentralization is a real fact in our society. The central interferences are bureaucratic partly because of an oversized centralization that covers too many details. On the other hand, however, it is true that, although desirable, the assertion of central interests is inadequate concerning issues of great importance. A central interest in Hungary, for example, is to improve the foreign trade balance in convertible currency, but we have not achieved adequate results for the 2d year in a row. The interest is central and our system of means is aimed at asserting this interest; nevertheless, we do not succeed in attaining our goal. We can say, therefore, that our economic management practice is inadequate in this respect and that our economic mechanism, taken in a larger sense, does not yet serve this goal adequately, either.

We are unnecessarily interfering in too many issues. Unnecessary or forced, the effect of our interference is often negative. As an example I would mention the case when economic regulations or a ministry interfere in an exaggerated manner in the enterprises' sphere of authority. As to what is exactly the central interest, we should be allowed to approach the issue from another angle. [paragraph continues]

Can the central interest be divided into sector interests within a certain limit? I can say from experience that it cannot, at least not without repercussions. It was on this that the previous system of plan indicators failed, and this is the reason why the present practice of forced import limitation is having problems.

[Latsis] One can sometimes hear abroad, and we are talking about this in the Soviet Union too, that the extent of production and economic centralization in our country is extremely high, and so is the centralization of resources in the case of large-scale enterprises and associations, and that, therefore, decentralization is necessary. I think that, in reality, we are suffering not from extreme centralization, but from the fact that this centralization is inefficient; that is, from the fact that this centralization is of an administrative nature instead of one helping the concentration of production and capital with economic methods. This production and capital concentration is inadequate in the Soviet Union as well because many production associations are too small and divided according to the sphere of authority of the sector ministries and because we are unable to develop the optimal sizes for these associations. And the concentration is, to a certain extent, desired by the real processes themselves.

Large-scale associations like the Skala Coop have been established in Hungary, too, in recent years. The development of various forms of contractual associations, the new methods of capital regrouping, the reform of the banking system -- and, of course, we still do not know what the reform of our Hungarian friends will bring -- well, all these are undoubtedly signs of capital concentration and not of decentralization. Let me add to this that all this signals a recognition of the realistic economic processes. Nevertheless, there can still be and there are inefficient large-scale enterprises both in Hungary and in the Soviet Union. But it is also certain that the fundamental processes -- such as, for example, the technological and scientific progress so important for both countries -- demand a greater concentration of capital.

[NEPSZABADSAG] It seems that we use different meanings of the concept of centralization-decentralization and apply it to different phenomena in both countries. Economic science and practice is using this pair of concepts to characterize two sets of issues. It means the centralization of management and the assigning of decision making rights, and it uses these concepts to characterize the enterprise structure and to show the extent of the concentration of means of production at the large-scale enterprises. Could we not make these concepts more clear-cut and delimit them more precisely?

[Nyers] I agree that we must clarify several of our concepts and that we must clearly delimit what the things are we want, why we want them, and how we want to attain our social goals. In my view, however, the fundamental problem is that the efficiency of our economies is inadequate to the current requirements. It follows from this that the management system used so far is not good. I accept the fact that the problem is not that we have to decentralize everything we have centralized so far, but we must create a new type of division of labor between the government sphere and enterprise activity.

Mobilization of Resources

[Aganbegyan] We have to start, well, from the issue mentioned by Comrade Nyers; namely, what is it that we really want, because what we really want to say derives from this. Comrade Nyers mentioned that primarily, Hungary would like to reduce its debts, but to achieve this, a veritable multitude of problems must be solved. [paragraph continues]

And what is it that we want in the Soviet Union? What are the goals set out by the economic policy in the new phase of development? The first thing we are striving for is a situation in which production is subordinate to society's needs. This is the condition for eliminating shortages and the producers' dictate over consumers, for making sure that consumers can choose among the producers and that the producers manufacture goods demanded by society. I regard this as a primary task. In the economy of shortages, we are producing many things that are not necessary or things that are needed but are badly manufactured under the circumstances of the economy of shortages. A really good economic mechanism is the one that eliminates shortages and subordinates production to consumption.

[NEPSZABADSAG] What are the means by which you are trying to approach this undoubtedly primary goal?

[Aganbegyan] We wish to attain a sudden development in increasing efficiency, and we must mobilize our organizational, economic, and social resources; primarily, we must accelerate technological and scientific development. Another outstanding task is the social orientation of the economic mechanism; that is, to make sure that this mechanism provides adequate possibilities for the development of the readiness for initiatives and the development of freedom and democracy and to make sure that man, as a social being, works to his abilities in the new economic system and does not feel that he is a small screw but a living, organic, full part of the economy. Our current economic mechanism, which was created under other circumstances and aimed at attaining other goals and which was quite adequate during its time, is obviously in contradiction with the tasks mentioned by me here. I would say that it is working against these tasks. Therefore, patching up this mechanism is out of the question, although we sometimes use such formulations. In my opinion, we must replace this old mechanism with a basically new one, one that is suitable for the implementation of today's tasks and which is adequate to the current requirements. That is why I, we, are talking about a radical reform of economic management. That is why we are speaking about a revolutionary transformation.

[Nyers] In one of his articles, Comrade Aganbegyan said -- and he has taken a similar position now, too -- that we must break the processes of evolution in the economy. Would you also say the same concerning economic management; that is, that radical reform means to break the line of development so far? I would very much sympathize with such a courageous declaration.

[Aganbegyan] The expression I have used is not my own. As the great discoverer Curie said at the time, if I had only one thought of my own in all my life, I would be a genius. I have not yet had thought totally of my own either. I can say that, adjusting to the current circumstances and to the radically new conditions, we must considerably increase the enterprises' independence and responsibility. An expression is in fashion in our country nowadays which says that we must strengthen both sides of democratic centralism; that is, we must strengthen centralism and develop democracy. I do not like this formula very much. Neither does Comrade Gorbachev speak generally of strengthening centralism, but of improving the efficiency of central management. I think there is some difference here. I must say, however, that economic management in our country has more than two levels -- a bottom and a top level; it also has an intermediate level. In my opinion, many problems in our economic management system derive precisely from the overproliferation of this intermediate level, represented by the ministries and the affiliated organizations. Therefore, it is possible to improve the top level of management and strengthen the bottom level simulatenously, and all this at the expense of the intermediate level.

[NEPSZABADSAG] Do we understand by this that you consider it necessary to simplify the overly complicated management system?

[Aganbegyan] Yes, but this is another issue. Anyway, it is obvious that the spreading of enterprise independence requires new forms of economic management and a break with the currently decisively used administrative methods and the subsequent petty limitations. In other words, I think we must use the Leninist principle of democratic centralism as a basis today, too, but we primarily need economic methods in management rather than administration. It follows from this that we must increase the role of the market, activate the relations between goods and money, and strengthen the role of profits as a cumulative indicator.

Which Proportion Is Dangerous

[NEPSZABADSAG] Should this go together with an increased state centralization of incomes, or is it better to leave the majority of the resources in the possession of the enterprise?

[Nyul] The state can centralize the net incomes of society for three reasons. The first reason is obvious: a certain proportion of incomes must be allocated to fulfill the demands of the nonproductive sphere. Under socialist relations, however, the state is centralizing two other, greater, proportions of incomes. The second proportion is the one the state reuses in production for industrial policy goals. The third proportion is the one the state is centralizing in order to balance the differences between expenditure and income. This type of centralization is dangerous because, with this, the state is assuring an equal scope for maneuvering for all the organizations active in the economy irrespective of their efficiency.

[Nyers] In my opinion, danger is also present in the case of the second type, because it often happens that the state wants to do the second type and in practice it turns out to be the third type.

[Nyul] Yes, the two types become confused. But let me mention here that we are giving the enterprises a greater scope in important questions like the setting of prices. In other words, we do not dictate to the enterprises what to produce and where to sell their products, and this is essential from the the viewpoint of centralism-decentralism.

[NEPSZABADSAG] Some sort of economic renewal is on the agenda of almost all the socialist countries. What is the effect of this on international cooperation within CEMA?

[Deak] It is, no doubt, important to also renew our relations within CEMA. If the socialist countries' enterprises can decide on what to purchase and from where, then the relations among them are also moving into a new phase. Due to our production structure and the proportions of our sectors, the international division of labor is particularly important for us. We cannot be satisfied, however, with our products' competitiveness both within CEMA and on the wider world market. In order to better adjust to market requirements, we must strengthen enterprise activity. Of course, there can be central tasks here as well, although, to tell the truth, we have failed so far to find a real solution. This should be done somehow, as follows: The state should direct the producers and provide guidelines concerning development but, at the same time, it should refrain from taking the decisions, upon itself instead of leaving them to the producers and the enterprises.

Many Kinds of Interests

[Anchishkin] May I return to the previous subject and remind you that, 3 years ago, Comrade Andropov described a situation in the Komsomol that we are really aware of: We are incorrectly acquainted with the society in which we live. On the basis of this discussion, it seems that we are incorrectly acquainted with the system of interests of the participants in social production, a system of interests that affects the ultimate shape of centralization and decentralization. There are people's economic interests, enterprise interests, and particular regional economic development interests. In our country, the latter is very important, taking into consideration the counties and the republics. Then, there are strongly emerging interests of certain social groups, like the youth, women, and the workers active in various sectors of the economy. Then, there are international interests belonging to the socialist community, and there are global interests that affect everyone, interests such as, for example, environmental protection. It is absolutely necessary to know, understand, and guide these interests. It can only lead to trouble if we discount these interests and try to solve local affairs, for example, from the position of centralism. And the other extreme is very bad too, when we approach social and people's economic problems as if we were facing group problems.

This issue is a problem of economic science in its entirely. Therefore, it is essential to analyze the social processes and to understand the tendencies. It is possible that we are using different terms for the same thing but, in my view, the economic sciences must today solve these practical questions: they must study the social processes and understand the real interests.

[Aganbegyan] I would like to add two things to the debate on centralism and on independence. First, centralism and independence must be judged also from the viewpoint of the distribution of resources; what is the proportion belonging to the central management and that of the enterprises. If we approach the issue from this point of view, then Hungary is a considerably centralized country.

Sometimes we produce the illusion that an economic mechanism is good because we withdraw, let us say, 70 percent of the enterprises' incomes and places this in the earth to prevent it from being used for wrong purposes. If we do this, the economic management will have nothing to distribute, to renew the production funds, and to provide incentives to the people. Therefore, the connection between the distribution of centralized means of production and independence is unbreakable. Because the latter is also closely related to the utilization of resources.

The other thing is the modern understanding of the relations between balance and dynamics. Although these are related, they also contradict each other. We would like to have an economc mechanism that not only eliminates shortages and creates a balance and adequate proportions, but one which also considerably accelerates our economy. We must stress that the dynamics of our economy are greater than in the majority of developed capitalist countries. If we create an economic mechanism that is capable of discovering the advantages inherent in the system, then we can develop even more dynamically.

The Use of Reforms

[NEPSZABADSAG] Taking, then, a closer look, what are our tasks in making our economy work more efficiently?

[Nyers] If we want to do things differently and better, we must think differently. We are happy to hear and read that there are forceful preparations and even changes in this respect in the Soviet Union too. A big question still remains after all this: How should the state act? Society always has more and more goals, and these goals will never smoothly fit close to each other. Therefore, we must search for a correct assembly of these goals. We can prefer some goals, but we must not completely neglect other goals either. In Hungary today, for example, we must prefer, primarily, the foreign and domestic balance, but at the same time we must accelerate the economy and increase the rate of economic growth, and there is already a certain contradiction between these two goals. And no matter how important these two goals are, we must also serve the populations' standard of living, at least as much as we can. We need, therefore, a state centralism that relies on the independent activity of the individual and of the smaller community -- enterprise, town, village -- a state centralism that contributes to the economic development and also helps its balance; that is, state centralism can take neither solely the part of growth nor solely the part of the balance. It must encourage production in a way to make the consumer have a greater effect on production; that is, the state cannot take only one side in the "debate" between the producer and the consumer.

I consider it a fact of great importance that the reform process under way in the Soviet Union affects the economic efforts of the socialist countries in that they might get closer to each other as a result. We, the socialist countries, must use our relations for two goals: First, to strengthen our own country through cooperation within CEMA and, second, to make sure that every socialist country is able to improve its position and competitiveness in the world economy on the basis of this cooperation. We can strengthen our competitiveness only if we adjust better to the world economy, and our reforms seem to be suitable for this.

[NEPSZABADSAG] How can we sum up the essence of our discussion and what conclusions can we draw from it?

[Anchishkin] Let us return to where we started: For us, perfecting the economic mechanism is not an end in itself but a means of accelerating economic development. By this we wish to attain an increase of at least 1.5 times in the rate of economic growth by the end of the century, doing all this by improving efficiency and accelerating technical and scientific progress. We are striving to attain an economic development that is characterized not only by quantitative dynamics, but also by qualitative improvement. In other words, we want to manufacture goods and provide services that are demanded by the population and which can be exported competitively. We aim at a dynamic that is suitable to the concept of qualitative increase. Everything that has been the subject of our discussion, in the final analysis, must serve in practice the implementation of the main goal formulated at the 27th CPSU Congress: the acceleration of socioeconomic development on a qualitatively new basis.

[NEPSZABADSAG] Thank you for your participation and the creative discussion.

MSZMP CC RESOLUTION ON ECONOMIC ACTIVITY

AU250731 Budapest NEPSZABADSAG in Hungarian 22 Nov 86 pp 1-2

["MSZMP Central Committee Resolution on the Tasks To Improve Economic Activity and on the Guidelines of the People's Economic Plan for 1987 and the State Budget" adopted at the MSZMP Central Committee plenum in Budapest on 20 November]

[Text] At its session on 19-20 November 1986, the MSZMP Central Committee reviewed the state of the people's economy and the experiences of the economic activity carried out since the 13th Congress and determined the main tasks to implement the economic program approved at the Congress and fulfill the Seventh 5-Year Plan.

The Central Committee concluded that the socioeconomic program adopted by the 13th MSZMP Congress was agreed to by the people. This agreement was reflected in the National Assembly and council elections, at the trade union, KISZ, and PPF congresses, and at other responsible social forums too. The National Assembly adopted the government's working program and, in accordance with the economic goals and tasks decided at the congress, the Assembly enacted the Seventh 5-Year Plan.

Implementation of the congress resolution has begun. Socialist democracy has further developed, self-governing elements in the life of society have strengthened, and public participation in preparing decisions has widened. The modernization of the economic management system has continued. The change to new forms of enterprise management has been completed. The norms of honest economic activity and the ban on dishonest activity are regulated by law. A reorganization of the banking system is under way.

The Council of Ministers approved the central economic development programs aimed at reorganizing the economic structure and improving efficiency, tasks related to the medium-range plan, and decided on settling the situation of the mining, iron metallurgy, meat processing, and surface construction industries. The enterprises' medium-range plans have been worked out. Several large-scale enterprise and cooperative collectives were able to improve the efficiency of their economic activity and provided noticeable initiatives concerning the modernization of the product structure, manpower management, and cooperation between enterprises.

According to the goal set by the congress, the Seventh 5-Year Plan for the people's economy, as well as maintaining and stabilizing the economic balance, should be a program of efficiently and gradually accelerating economic development and should provide the basis for an increase in national income, for technical progress, for a tangible increase in the population's standard of living, and for an improvement in the living conditions of the population.

The Central Committee concluded that no acceleration of economic development was been achieved in 1985-86 and the results of the first year of the Seventh 5-Year Plan were unsatisfactory. Expenditures -- including international payment obligations, investments, public expenses, and personal incomes -- exceeded receipts. Consumption was higher than production in the country.

The inadequate performance of the people's economy was also due to the unfavorable international circumstances and more limited sales opportunities. [paragraph continues]

The world market prices of Hungary's major export products -- like, for example, wheat, maize, meat and meat products, vegetable oil, aluminum, and oil derivatives -- dropped by 35 to 50 percent. The long and harsh winter last year and the years of drought added to our difficulties. In addition to external factors, weaknesses in our own work and the shortcomings of management also played a considerable role in our lagging behind the plan.

People's economic planning, regulations, and the system of institutions did not provide for an adequate improvement of the domestic and foreign balance relations or for the discovery of new resources necessary for the acceleration of the economy. We did not succeed in adequately coordinating the people's economic interests and the enterprises' interests. Decisions were delayed in important export and import management issues and in preventing and eliminating market disturbances. The further development of the system of economic management that had been decided was not carried out consistently. The executive bodies of the Central Committee and the government are responsible for the shortcomings in management and the inconsistencies in implementation and supervision.

The organization, assistance and control of the implementation of resolutions is also inadequate at local party, state, and public organs. The attitude that considers successful work as a top priority has not yet become general among the working collectives of enterprises and institutions. There are unjustified differences in the performance of enterprises and cooperatives of equal potential. Many enterprises do not use their resources adequately and wish to increase their incomes by means of budget subsidies and unujustified price increases rather than by means of increasing efficiency, reducing expenses, and better using the available manpower.

Effective management is hindered by the fact that the basic requirement of income proportional with performance has been enforced neither in management nor in the implemantation of tasks. On the contrary, leniency is frequently shown toward people who do not fulfill their obligations. Violations of socialist norms, regulations, and citizens' and work discipline are tolerated and not penalized.

The problems facing the people's economy, the extremely slow economic development and difficulties in the economic activity very much concern public opinion and are giving rise to anxiety, and the irregularities that harm the general requirements as well as local disorders are shocking the honest working people who make up the overwhelming majority of the labor force.

The Central Committee considers it an indispensable and pressing task to eliminate the obstacles in the way of accelerating economic development, to raise the standard of management, and to create the political and social as well as organizational and personnel conditions necessary for the improvement of work.

I

The Central Committee considers the attainment of economic an political targets formulated in the resolution of the 13th MSZMP Congress and concretized in the Seventh 5-Year Plan to be the most important task of the work of socialist construction. The 1987 people's economic plan should also serve this aim. The Central Committee stresses that there is no feasible way of fulfilling the social and economic program other than through the acceleration of economic development by improving activity and making a rational use of available resources.

-- Purposeful, well-organized, and disciplined work complying with the requirements is indispensable in all the areas of our society's life, both in management and in the implementation of tasks.

-- Both enterprises and workers should be made more interestsed in increasing performance.

-- The practice of consuming more than what we produce should be eliminated.

1. The acceleration of economic development requires a modernization of the production structure, the acceleration of technological progress, the assertion of a selective development, an increase in material and energy saving, and an improvement in our export capability. All these should be promoted by practical measures.

-- Enterprises should be made more interested in profitable production and in cost reduction. This should be supported by resources made available as a result of reducing the amount of subsidies provided for inefficient production, by tax exemptions, supply of basic funds, interest returns, interest exemptions, and other suitable means. The expansion of profitable exports and substitution for imports should be consistently encouraged. The system of competition aimed at developing export-capable production should be maintained in the future too and should be placed at the same time in the service of technological modernization.

-- A program should be worked out for making the work of loss-making and low-efficiency economic units profitable, gradually eliminating central subsidies, and eliminating inefficient production. In the course of this process, attention should be paid to making sure that there will be no shortage of indispensable products. The manpower relieved in the wake of structural changes should be employed in efficient economic sectors.

-- The funds allocated for research and technological development should be used in a concentrated way and more efficiently. By increasing interests, the research results should be made usable in production more rapidly. Technological development should be put even more in the service of international competitiveness and profitability.

-- In implementing our people's economic tasks, we should rely on making a better use of opportunities for economic cooperation with the Soviet Union and the other CEMA member-states, on the development of more advanced forms of cooperation -- including specialization and cooperation between enterprises -- and on the creation of joint ventures and mixed enterprises.

Efforts should be made to develop reciprocally advantageous commercial and cooperative relations with the advanced capitalist countries and the developing countries and to establish mixed enterprises.

-- The organizational and interest systems of the foreign economic activity and the activity of marketing and trade development should be modernized. The increase in exports requires that the enterprises enlarge and improve their services.

2. The Central Committee considers it a priority of the 1987 plan and budget to increase economic performance and efficiency, improve the foreign trade and financial balance, change the economic structure, accelerate technological development, and improve living conditions. The annual plan, the economic regulations, and management should focus attention on the selective acceleration of economic growth.

The basis for a better coordination of economic and financial processes has to be established through a greater increase of competitive production and exports. The budget deficit has to be reduced mainly by moderating expenditures and by large-scale austerity measures.

The 1987 people's economic plan stipulates at least a 2 percent growth in national income.

Industrial production should increase by 2.5-3 percent. The development of sectors and enterprises that manufacture competitive products and the modernization of the industrial structure should be accelerated. The elimination of unprofitable production and the regrouping of manpower should continue in certain areas of the energy and basic material industries. The production of the processing industry, particularly of the specialized branch of electronics that represents advanced technology, as well as the production of the pharmaceutical industry, synthetics processing, the motor vehicle industry, and the agricultural machinery industry should increase beyond the average. A rational regrouping of funds from inefficiently operating enterprises should also be rendered possible. General provisions should be made to ensure that the available production capacities are maximally used in accordance with our people's economic goals.

A 4.5-5.5 percent growth in agricultural production compared to 1986 should be stipulated. Production structure should adjust flexibly to the quality requirements and the export possibilities. Grain production should be higher than this year. The standard of animal breeding should increase. The increase of the stock of pigs and sheep should be accompanied by an acceleration of the qualitative change of the breeding stock. The food industry should increase the proportion of high-level processed and good quality products and reduce specific production costs.

The most important task facing the building industry is to improve the quality and peace of housing construction and improve its efficiency. Work organization should be increased and the level of the guiding and leading activity should also be increased.

In the area of the production infrastructure, the needs of production and of the population should be fulfilled by better utilizing the available capacities. Great attention should be paid to the development connected with the reconstruction of the telecommunications network and to the rational organization of goods-transportation. The natural environment should be protected and the measures aimed at protecting this environment should be strictly enforced.

Investment funds should be used primarily on modernizing production and the infrastructure directly serving this production and on increasing the income-producing capacity, including the supply of credits and basic allowances. The proportion of enterprise investments aimed at modernizing the technology should increase.

The stabilization of the 1985-86 living standard and a modest improvement in living conditions should be attained through the adequate coordination of production, incomes, and prices. A balanced supply of the population with consumer goods should be assured. The incomes of individual workers and collectives should develop in proportion with their performance. Wage increases should be carried out in a differentiated way in all places on the basis of the results attained and following the creation of the necessary funds.

Opportunities should be created at efficiently operating enterprises to carry out higher-than-average increases in wages and to increase employment. The low-profit enterprises which do not, or only slightly increased their performances, should be forced to maintain or to moderate their wage level and exercise a rational manpower management. Good work should be an appreciated value for the workers.

There are increasing tasks facing foreign trade in 1987. Foreign trade enterprises should improve their cooperation with producers. These enterprises should endeavor to make a better use of market possibilities, acquire new markets, and improve their foreign trade and cooperation activity. In ruble trade, Hungary should strive for a growing and balanced turnover, and in the balance of convertible currency trade, it must strive for a major improvement compared with 1986.

3. Our system of economic management introduced almost 2 decades ago is viable, developing continuously and, in general, making a favorable impact on the economy and on the life of society. Assessing past experience, it can be concluded that when the reform was introduced, neither the central guiding organs nor the economic organizations were duly prepared for the tasks arising from the new requirements. This shortcoming has not yet been fully eliminated.

The implementation of the congress resolution and support for the targets of the Seventh 5-Year Plan and the 1987 plan make it necessary to accelerate the implementation of the tasks stipulated in the Central Committee position of April 1984 on the comprehensive further development of the economic management.

-- The system of regulations should contribute to a more rapid development of the enterprises in line with their profitability. The development of the pricing system should also ensure that profits reflect genuine performance. Increases in enterprises profits deriving from unjustified price increases and from budget subsidies should be stopped. An income and wage regulation should be applied that will ensure harmony between performance and income outflow and which contributes to a rational regrouping of manpower and to a more efficient manpower management. Other solutions concerning wage management and reduction of manpower should be gradually made general. The necessary manpower regrouping should be promoted also by central measures and means.

-- Legal regulation should also follow the development and contribute to the economic activity. Overregulation should cease. Contracts stipulating the economic obligations should be honored. Supervision should uncover irregularities in all areas of public and economic life. Violations of lawful stipulations should be followed by more consistent punishment than hitherto.

-- Credits and financial instruments should play a greater role in economic management. The issuing and hard currency monopoly of the Hungarian National Bank will continue. The commercial banks starting operation on 1 January 1987 should carry out their activity flexibly and this activity should be directed by business and profitablity considerations.

-- The introduction of a new enterprise and personal income tax system should be prepared.

A more simple tax system should be applied to enterprises, a system that is more appropriate both as regards enterprises independence and the viewpoint of the necessary income centralization.

The system of personal income tax should assert the principle of a fair burden of taxation. Its introduction should not reduce the net income of people living on wages and salaries derived from main jobs and should not hinder the increase in performance.

In social policy, modernization and modification steps should be carried out, steps that will ensure that certain allowances and services are better adjusted to the social situation in question and to actual need.

II

The Central Committee stresses that the most important task is to establish a unity of attitude and action which will serve to implement the approved economic policy targets and plan targets, and the emergence of public activity.

Greater order and discipline is needed throughout all of society. To this end it is essential to strengthen party discipline, make control and calling to account regular practice, and firmly envorce the responsibility of local management organs and their leaders. All political, state and public institutions should provide all their support for improving economic activity and for the efforts aimed at accelerating development.

1. As the party is the acknowledged leading force of our society and socialist construction work, the people expect it to guide and set an example in solving the timely economic tasks. A fundamental condition of progress is confidence between the party and the masses, the unity of the party and the people.

The most important task of the Cental Committee and its executive organs is to define the strategic goals of economic policy and to direct and control their implementation.

Economic policy representation, its acceptance, its local assertion, and mobilization for the implementation of this policy should play a greater role in the activity of the Budapest and county party committees. Representation of policy, including economic policy, is the most important task of the disrict, enterprise, cooperative and institutional party organs and organizations. The standard of their work is relfected in the extent of their contribution to the practical implementation of the economic policy in their sphere of activity.

An important condition for successful work is to assert the principles of cadre policy. The executive organs of the Central Committee, the party organs and organizations should begin to establish such personnel conditions as will ensure the successful solution of economic tasks. They should take a consistent stand so that independence is accompanied by appropriate responsibility in the work of the leaders. They should not tolerate lack of principles, indifference, and subjectivism in cadre and personnel work.

2. The Council of Ministers should play a greater role in and assume more responsiblity for economic management, the coordination of major trends, the exact definition of national tasks, the removal of obstacles, and the organization and supervision of the implementation of these tasks. In its activity, the Council of Ministers should strengthen the collective character and personal responsibility and should pay particular attention to the coordinated solution of long-term and daily tasks.

It is an important task for the government and its guiding organs to ensure that the central economic development programs for the structural change and efficiency improvement stipulated in the Seventh 5-Year Plan -- among them the electronization, pharmaceutical and pesticides production, energy rationalization, and the use of waste and secondary materials -- are implemented.

Purposeful measures should be taken to improve management and modernize the organization of institutions financed from the central budget. Through the reasonable use of available resources, these institutions should strive to carry out their obligations on a higher level, with a smaller staff, and more rational management.

Public property should be resolutely protected with the assistance of the honest living and working majority and the application of legitimate means, and people who neglect their work, harm smaller or larger communities, and violate laws and socialist norms should be called to account. All this requires a more coordinated political, economic, legal, and authority activity and democratic control.

3. The modernization of the councils' management has increased their independence, responsibility, and their self-governing possibilities.

The councils should ensure that the enterprises under their guidance improve their economic activity in accordance with the economic policy goals and that their production and services adjust to the demands of the population. The administration of affairs should be simplified and professionalism and speed should be increased. At the same time, the exercise of the authorities' sphere of legal rights and the supervision should be more consistent. The elected bodies should regularly supervise the activity of the executive organs and of the professional branch.

4. The enterprises should make use of their greater independence and of the possibilities provided by the economic regulation.

At the organizations operating under the new forms of enterprise management, the enterprise councils should direct their main attention to the development of activity in accordance with the purpose of the enterprise, efficient management of socialist property, the rational exercise of employer rights, and the assertion of the director's sphere of authority and responsibility. The leading bodies should be protected from formal, bureaucratic, and self-centered work.

The efficiency of the enterprises' and cooperatives' economic activity should be determined primarily by the activity they carry out during main working hours. Ancillary activities that serve the interests of the people's economy and which supplement and help the enterprises' efficient and profitable activity continue to be needed. Work according to legal regulations should be required; the leading bodies of the enterprises and cooperatives and the state organs should take a stand against negative phenomena.

5. With their daily work, the workers of the press and the mass media should contribute to the implementation of our social and economic program. In their articles and programs, they should inform, represent, and explain the party's position and the government measures and should publicize the advanced experiences, they should argue with mistaken opinions and criticize practices that oppose our policy.

The Central Committee calls on the party organizations, the communists, our non-party-member allies, believers in socialism and mass organizations -- primarily the trade unions and the KISZ -- the enterprise councils, the enterprise leaders and the working collectives to consistently support the implementation of the 13th MSZMP Congress decisions and the 1987 annual plan in all production units and work places.

The Central Committee is firmly convinced that economic development can be accelerated and a secure foundation be created for further improvement in living standards and the prosperity of the people provided that the available resources are utilized efficiently and work is carried out with discipline.

Budapest. 20 November 1986.

COUNCIL MEETS, DISCUSSES UPCOMING TASKS

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[Text] Budapest, November 25 (MTI) -- Tuesday morning the Central Council of Hungarian Trade Unions (SZOT) met to discuss next year's tasks under the chairmanship of Sandor Gaspar, president of SZOT and member of the Political Committee of the Hungarian Socialist Workers' Party. The conference is attended by Laszlo Marothy, member of the HSWP Political Committee and deputy chairman of the Council of Ministers.

Tibor Baranyai, general secretary of SZOT, informed the participants on the tasks facing the trade unions in implementing the resolution of the HSWP Central Committee passed at the November 19-20 session.

Tibor Baranyai pointed out that the trade unions also attach particular importance to stepping up economic work. He stressed the trade union movement is interested in putting into practice the guidelines of the Central Committee resolution, because they conform to the opinion and endeavors of organized workers.

WOZNIAK ADDRESSES GOVERNMENT ECONOMIC COMMISSION

AU261002 Warsaw TRYBUNA LUDU in Polish 20 Nov 86 pp 1, 8

[Jan Markusz and Tomasz Szymanski report: "The Inaugural Session of the Team for Organizational Structures of the National Economy"]

[Excerpts] The second team of the Party-Government Commission for Reviewing and Modernizing the Organizational Structures of the Economy and the State held its first session in the office of the Council of Ministers on 19 November.

The session was attended by Marian Wozniak, PZPR Politburo member, Central Committee secretary, and chairman of the Party-Government Commission. Vice Premier Zbigniew Szalajda chaired the session of the team, which includes scientists, PRON activities, members of the territorial and workers self-government bodies, and managers, of large enterprises.

Our team, Zbigniew Szalajda said, has very important tasks to accomplish: To work out long-term concepts for modernizing organizational structures in order to achieve the ninth and 10th party congress goals of the country's socioeconomic development. This issue is very important, and we are aware of its complicated nature and of the many spheres we should deal with. That is why we have to consult the views of all our communities. [passage omitted]

Speaking in his turn, M. Wozniak said: We have initiated the process of structural changes while bearing the enormous burden of many past weaknesses. Our political will to reform the economy is of fundamental significance, and that is why the government and party apparatus should consider the views of various scientific and social communities, even if these views may be critical. For example, some people are afraid that the review of organizational structures and the verification of jobs will be carried out only in plants and will omit various central agencies. Our party authorities are especially sensitive to this issue. We are determined to reform and modernize the entire economy and the state.

We hope that the activities of the team and the entire party-government commission will make it possible for science to commit itself on a large scale to modernizing structures and improving management methods. Our present structures were established many years ago and some of them are now superfluous. We must not regard our structures as eternal, and that is why we should define the changes that will make our economy more efficient. [passage omitted]

The session set up three subordinate teams, which will work out the general lines of the development of structures, prepare detailed solutions, and analyze the present state of structures in the economy.

PRESIDENTS CEAUSESCU, HASANI SPEAK AT DINNER

LD202354 Belgrade TANJUG Domestic Service in Serbo-Croatian 2126 GMT 20 Nov 86

[Excerpt] Bucharest, 20 Nov -- This evening in the Palace of the Romanian State Council Nicolae Ceausescu, Romanian president, gave a formal dinner in honor of Sinan Hasani, president of the SFRY Presidency, who today arrived on an official, friendly visit to Romania. The dinner was attended by Ioan Totu, Romanian minister of foreign affairs, and Ilie Vaduva, Romanian minister of foreign trade, as well as by other high-ranking party and state officials. On the Yugoslav side were Raif Dizdarevic, federal secretary for foreign affairs; Nenad Krekic, federal secretary for foreign trade; members of the delegation, as well as Boro Denkov, Yugoslav ambassador to Romania, and Air Force Colonel Kosta Dankovic, military attache of the SFRY.

Toasting the high-ranking guest from Yugoslavia, Romanian President Ceausescu stressed that Yugoslav-Romanian friendship had a fine and rich historical tradition and that it was developing in a positive direction comprehensively on the well-known principles, and that Romania was convinced that great opportunities exist to extend economic relations and start new initiatives for cooperation in various areas on mutually useful bases.

Speaking about the international situation, the Romanian president stated that the visit by the president of the SFRY Presidency was taking place in particularly complex international conditions. The arms race has been continued, some conflicts have been extended, President Ceausescu stressed, and there are also examples of new threats by force, the use of force and interference in internal affairs of other countries. All this, he stressed, increases the danger of a nuclear war and a catastrophe and the destruction of life on our planet.

President Ceausescu further said that recent negotiations in the world did not lead to the assessment that detente had taken place. He said that the Reykjavik Soviet-U.S. meeting had ended without results, and stressed that European countries were directly interested that an agreement on nuclear missiles on the continent was reached as soon as possible. He reiterated the well-known stand of Romania that this question should not be dealt together with other problems, but concrete agreements should be reached immediately.

Romania is making efforts toward the complete liquidation of nuclear arms by the end of this century, is in favor of abandoning the Star Wars program and the reduction of conventional arms and military forces by 25 percent by 1990. Acting in concrete terms in this direction, the Romanian president stressed, we have decided unilaterally to reduce by 5 percent our arms, number of soldiers and expenditure, and we are inviting all countries to follow our example. He stressed that a referendum on this issue which will be held in 2 days in Romania, would reflect the will of the Romanian people to walk on the path of halting the arms race.

Romania is in favor of an extensive development of cooperation between all the European countries and for a Europe of peace, cooperation and understanding. In this context the Romanian president stressed that his country assigned particular significance to strengthening confidence and understanding in the Balkans and turning this region into a zone free of nuclear and chemical arms and foreign military bases.

In his toast at the dinner in honor of Sinan Hasani, President Ceausescu in particular pointed out that Romania, starting from the difficult economic, situation of developing countries, was fighting for the liquidation of underdevelopment and the introduction of a new international economic order, and for the organizing of an international conference on these problems under the auspices of the United Nations. Romania is also, President Ceausescu stressed, making efforts toward a just solution to the problem of foreign debts which halts the progress of developing countries. [passage omitted]

Hasani Toasts Ceausescu

AU251424 Bucharest SCINTEIA in Romanian 21 Nov 86 pp 1, 3

[Report on toast by Sinan Hasani, president of the SFRY Presidency, at dinner given in his honor by President Nicolae Ceausescu in Bucharest on 20 November]

[Text] Esteemed Comrade President, dear friends: I want to express thanks for your warm and friendly words. The cordiality and hospitability we enjoy and the frank and constructive atmosphere of the meeting with you will stay in our minds as the most beautiful remembrance.

With your permission I want to say that symbolically I view my stay as a visit to the home of a good and reliable friend. I take particular pleasure in being able to directly experience such pleasure, because this is our way of life and it is the continuity of our mutual relations.

I am also glad of the opportunity to become directly acquainted with the achievements of the hardworking Romanian people on the road to socialist development and with their noteworthy successes on the path toward a secure future.

Carrying on a constant dialogue throughout the years, we have become better and better acquainted with each other and we have jointly established an atmosphere of trust and understanding. Cooperating on the basis of these new principles, we have made an important contribution to our own countries and to achieving a more stable and more secure situation in the areas in which we were placed by historic destiny. This is the way President Tito and you, Comrade Ceausescu, viewed the prospects of Romanian-Yugoslav relations. Meetings such as the present one are designed to give an impetus to developing cooperation and to lend greater significance to good-neighborliness. Being ready to ensure a more and more intensive development of our cooperation in all areas, we are jointly and constantly dutybound to see that increasingly fewer things remain to be done. We believe that we will fulfill this duty.

There are indeed numerous areas in our cooperation where I stressed what can be achieved through joint efforts and on the basis of good-neighborliness and mutual advantage. If we continue our current practices in economic cooperation, we will not use all opportunities we have to achieve even greater things. Current requirements necessitate the strengthening of all forms of long-term technical cooperation, collaboration, and production sharing, and they require us to constantly promote economic cooperation and exchanges in border areas. In this connection I must stress the importance of continuing cooperation in the construction and exploitation of hydroenergy and navigational systems on the basis of understanding concluded so far.

The era in which we live is an era of communication, of the extensive circulation of people, of ideas, and achievements. As neighbors, we have the most advantageous conditions for all this. I am referring to important areas of cooperation in border zones -- the area of culture, tourism, and information. I think that the attention we are now paying also to these areas will be crowned with new initiatives in the spirit of the needs and incontestable opportunities we have.

Referring then to some international issues, Comrade Sinan Hasani said: Different international positions are not a limiting factor for cooperation if the principles of good-neighborliness are respected. Moreover, we turn this circumstance into an encouraging example of understanding and cooperation and into a factor for stability in this sensitive zone.

This is a quality that must be stressed more and more. The current epoch is a period of signs of hope -- true modest ones -- and of profound causes for disquietude. There are the successful results of the Stockholm conference and there are favorable conditions now for the Vienna conference to reach a broader opening and closeness in Europe. There is the continuity of the CSCE process. Parallel to this, however, there is the reality of the arms race, of sources of crisis, of the policy of force at a military, economic, and financial level, and of the policy of interference, and there is a great economic burden, especially that of debts, which burdens the shoulders of the developing countries.

The failure of attempts so far to halt the nuclear arms race, production, and proliferation is, certainly, a result of the global negative processes in international relations. The Reykjavik meeting has opened new dilemmas but, on the other hand, it has demonstrated that certain prospects for understanding can be opened. The important closeness of viewpoints must now be turned into a real quality and into an accord that will mark a turning point in the most important problem of the present-day world -- halting the arms race.

Undoubtedly, such an accord would be able to enter all impenetrable layers of mistrust. It would incontestably lead to a broader dialogue between the great powers and to general detente in the international arena. True, all of us are called upon to commit ourselves to this cause and to turn detente into a general asset and a common responsibility. Only thus -- on a universal basis -- will we be able to ensure its existence and prospects for it.

Such endeavors by two thirds of mankind once again were fully confirmed at the Eighth Nonaligned Summit. They confirmed that they will stay a vanguard movement for peace, development, and equal cooperation in the world, which is nearing the 21st century.

Therefore, it is logical, the speaker continued, that in Harare the great powers were again confronted with the imperative of halting the arms race and with criteria of negotiations that will take into consideration the broadest interests of the international community. It is therefore easy to understand that owing to the threat of new global confrontation, an appeal for urgent measures to institute an economic balance in the world was launched and support for equal participation by the developing countries was requested, a fact that does not constitute a unilateral, but an objective and global requirement.

Within the framework of all these efforts by the nonaligned countries' movement and actions, Yugoslavia will continue to make its full contribution, as it has always done. It will see to it that efforts within the nonaligned and neutral countries in Europe will mainly serve the successful conclusion of the Vienna CSCE. In this connection, I take grat pleasure in noting that the delegations of our two countries are cooperating positively.

There is no alternative for the Balkans apart from broad, varied, and equal cooperation in the spirit and according to the letter of the Helsinki Act. As a country of the Balkan area we view our essential interest and our own and common prospects in continuing the process of inter-Balkan cooperation and of negotiations among the countries in this area.

The open problems -- if they exist -- are an additional reason for a dialogue permeated by the desire to preserve and strengthen trust, which is so necessary. The zones of peace and security free from nuclear or any other weapons -- in the Balkans, in Europe, and everywhere -- are created and they expand by respecting the principles of general good-neighborliness among the states in this interdependent world.

This is the principle from which we have to proceed even when we talk about the Mediterranean and the crises and conflicts in that area. Security and stability in that area are most directly linked with the Balkans and to Europe. It is in the interests not only of riparian states, but in the interest of the whole of the international community that security and peaceful cooperation be strengthened in the area instead of confrontation and force, pressure and interference.

I am sure, Comrade President, that this meeting of ours will also give an impetus to the achievement of our general and common interests and thus to the achievement of the interests of each of our countries separately.

I want to raise my glass to:
Your good health, Comrade President!
The good health of all our Romanian friends!
The happiness and well-being of the people of the Socialist Republic of Romania!

The constant development of our relations and cooperation! (loud applause)

JOINT COMMUNIQUE ON SFRY PRESIDENT'S VISIT

AU250809 Bucharest SCINTEIA in Romanian 22 Nov 86 p 5

["Joint Communique" of SFRY President Sinan Hasani's 20-21 November 1986 official friendship visit to Romania]

[Text] Comrade Sinan Hasani, president of the SFRY Presidium, paid an official friendship visit to the SR of Romania on 20 and 21 November 1986 at the invitation of Comrade Nicolae Ceausescu, RCP secretary general and president of the SR of Romania.

President of the SFRY Presidium Comrade Sinan Hasani and his entourage visited socioeconomic and cultural establishments in Bucharest.

During his visit, President of the SFRY Presidium Comrade Sinan Hasani laid a wreath at the Monument of the Heroes of the Struggle for the Freedom of the People and Fatherland and for Socialism.

The high-ranking Yugoslav guests were warmly received everywhere, as an expression of the feelings of esteem and friendship nurtured by the Romanian people for the Yugoslav peoples.

President of the SR of Romania Comrade Nicolae Ceausescu and President of the SFRY Presidium Comrade Sinan Hasani exchanged detailed views -- in a cordial and friendly atmosphere and in a spirit of mutual understanding and respect -- on relations of bilateral cooperation and opportunities for their expansion and on the most important issues of international relations. The two presidents also briefed each other on the socioeconomic development in their two countries.

The talks between President of the SR of Romania Comrade Nicolae Ceausescu and President of the SFRY Presidium Comrade Sinan Hasani were attended by:

For Romania: Ioan Totu, minister of foreign affairs; Ilie Vaduva, minister of foreign trade and international economic cooperation; Constantin Mitea and Nicolae Mihalache, advisers to the President of the SR of Romania; Dumitru Popa, ambassador of the SR of Romania to SFRY; and Lucian Petrescu, director at the Ministry of Foreign Affairs.

For Yugoslavia: Raif Dizdarevic, federal secretary for foreign affairs; Nenad Krekic, federal secretary for foreign trade; Boro Denkov, SFRY ambassador to the SR of Romania; Dragomir Vucicevic, adviser to the president of the SFRY Presidium; Miodrag Nikolic, chief of the cabinet of the president of the SFRY Presidium; and Zlatan Kikic, director in the Federal Secretariat for Foreign Affairs.

I.

Comrade Nicolae Ceausescu, president of the SR of Romania, and Comrade Sinan Hasani, president of the SFRY Presidium, noted with satisfaction that relations between Romania and Yugoslavia and between the peoples of the two countries are developing successfully, in the spirit of good-neighborliness and mutual trust and respect, on the lasting bases established during countless meetings between Presidents Nicolae Ceausescu and Josip Broz Tito and during subsequent high level meetings.

On this occasion the sides again stressed the importance of observing and consistently applying the principles of independence and sovereignty, territorial integrity, equal rights, mutual advantage, noninterference in domestic affairs, and respect for the two countries' own domestic development ways and international stands, principles that are lasting foundation of good-neighborliness and set an example for relations between two neighboring and friendly countries.

During the talks, the sides stressed the particular importance of high level meetings for stimulating the development of relations and cooperation between the two countries both at the bilateral and international levels, in a spirit of mutual friendship and understanding.

Both sides expressed particular satisfaction at the traditional friendship binding the peoples of the two countries, a friendship which is constantly strengthening through broader cooperation between the parliaments, governments, political and public organizations, republics and provinces, counties, and towns in the two countries. Both sides stressed the need for steps to enrich this cooperation.

During the talks the two sides confirmed their stands on the question of nationalities as expressed in the 1984 Joint Romanian-Yugoslav Declaration; they stressed that the nationalities are a factor of the relations of good-neighborliness and of friendly cooperation between the Romanian people and the Yugoslav peoples.

President Nicolae Ceausescu and President Sinan Hasani paid particular attention to economic relations between the two countries and expressed satisfaction at the progress registered in developing cooperation this year. They positively assessed the efforts and actions undertaken along these lines by the governments of the two countries, the Romanian-Yugoslav Commission for Economic Cooperation, and other economic bodies and organizations.

The sides stressed their determination to make further efforts to expand and diversify exchanges of goods, industrial cooperation, and long-term production sharing, by increasingly using to this end the advantages offered by the development level of the two economies and by geographic closeness. In this respect, they examined concrete steps, ways, and means for developing bilateral economic cooperation.

During the talks the sides valued the construction of the Iron Gates I and Iron Gates II hydroelectric and navigation schemes as an example of the building of major projects through the joint efforts of the two countries.

The two presidents agreed to make further efforts to develop cooperation in electronics, electrical engineering, machine-building, and petrochemistry. They also pointed out the broad cooperation opportunities in iron and steel, nonferrous metallurgy, and other fields.

Stressing the importance of existing conventions on cooperation and specialization, the sides emphasized the need to fully implement their provisions on schedule, extend their validity, and conclude new and mutually advantageous agreements, with a view to attaining products of a higher technical and technological level so as to meet the requirements of the two countries and of exports in third markets.

In order to expand economic exchanges, new steps will be taken to develop cooperation between financial and banking institutions as well as barter trade.

Positively assessing the signing of an understanding on economic cooperation in border areas, the two sides stressed their determination to make new efforts to implement cooperation in this field.

The sides stressed the need to expand scientific-technical cooperation by laying emphasis on its orientation toward research fields and programs that can be speedily applied in production.

The sides examined ways and means of implementing economic cooperation through joint ventures in third markets between economic enterprises and organizations of the two countries.

The two sides stressed the importance of further developing and enriching the content of cooperation in science, culture, education, health, tourism, and sports and better informing the public opinion in the two countries about the development and successes of the SR of Romania and lthe SFRY, with a view to promoting a better understanding of their mutual historical development and material and cultural values, in the spirit of our traditional friendship and cooperation.

President of the SR of Romania Comrade Nicolae Ceausescu and President of the SFRY Presidium Comrade Sinan Hasani stressed that the all-round development of the Romanian-Yugoslav relations and their further strengthening and enhancement reflect a high level of mutual trust and are in accordance with the vital interests of the peoples of the two neighboring and friendly countries and the interests of equal cooperation, peace, and stability in the Balkans, Europe, and throughout the world.

II.

President of the SR of Romania Comrade Nicolae Ceausescu and President of the SFRY Presidium Comrade Sinan Hasani exchanged detailed views on current international issues, which pointed out the identity or closeness of the two sides' viewpoints.

The two presidents expressed profound concern over the serious situation in the world, which is mainly due to the continuation of the arms race, primarily the nuclear arms race; the existence of many states of tension in various parts of the world; the intensification of certain military conflicts of certain military conflicts; the deepening of the world economic crisis; the very serious worsening of the situation of developing countries; and the continuation of the policy of force and interference in the domestic affairs of other states, by either resorting to the use of force or threatening to use it.

In this respect, the sides paid particular attention to the need to strengthen peace and security in the world, halt the arms race, primarily the nuclear arms race, achieve disarmament, strengthen the process of European security and cooperation, and find ways and means to reduce tension in international relations.

The sides agreed that that key issue of our age is to halt the arms race, proceed to disarmament, primarily nuclear disarmament, and ensure peace and security in the world. Likewise, the sides stressed that one cannot resolve the problems of disarmament and security without finding a solution to the serious economic situation of developing countries, which has a negative impact on international ties and world peace.

Speaking out for the adoption of concrete nuclear disarmament steps and for a halt to all nuclear tests, Presidents Nicolae Ceausescu and Sinan Hasani also stressed the importance of a transition to substantially reducing conventional weapons, troops, and military expenditures; they also emphasized the significance of concrete actions taken in this respect by the SR of Romania and the SFRY.

The two presidents stressed the particular responsibility of the great powers for halting the arms race and ensuring peace and their support for a dialogue and negotiations between the great power as well as for all constructive initiatives meant to lead to concrete disarmament agreements and measures. They also stressed that the international problems -- the problems of disarmament, peace, security, and development -- cannot be resolved by the great powers alone and that all states should participate and act along this line. Romania and Yugoslavia believe that everything possible shold be done to completely eliminate nuclear weapons.

The two countries speak out for stimulating the activity of all negotiations forums on disarmament questions. The two presidents positively assessed the results of the Stockholm Conference on Security and Confidence-Building Measures and Disarmament in Europe and hailed the continuation of the CSCE process with the start of the Vienna meeting proceedings. They expressed the determination of their two countries to contribute, along with other states participating in the meeting, to intensifying the dialogue, attaining concrete steps for disarmament and for a reduction of international tension, developing cooperation in all fields, and strengthening security in Europe.

Romania and Yugoslavia resolutely speak out for developing bilateral and comprehensive cooperaton between all Balkan countries and turning this region into an area of peace, security, cooperation, good-neighborliness, and understanding, without nuclear and chemical weapons. The further promotion of all-round cooperation in transportation, energy, telecommunications, industrial cooperation, culture, education, tourism, sports, and other fields of mutual interest is an integral part of these efforts.

Romania and Yugoslavia speak out for reducing tension in the Mediterranean and turning this area into a zone of lasting peace, good-neighborliness, and cooperation.

Pointing to the many hotbeds of crisis in various parts of the world, the two countries advocate greater efforts to resolve these crises through peaceful and negotiated means alone, in accordance with the principles of the UN Charter, with the equal participation of all interested sides. They stressed the need to totally exclude force and the threat of force from relations among states.

Particular attention was paid to international economic problems and the further widening of gaps between developed and developing countries, one of the sources of overall tension and instability in the world. The sides reiterated the need to develop economic cooperation between the developed and developing countries on an equal footing and stressed the importance of a transition to real negotiations for a global solution to the problems of underdevelopment, including the foreign debt of developing countries.

The side emphasized the positive role of the policy promoted by the nonaligned movement, as an independent, nonbloc factor of overall importance in international relations. They stressed the importance of the Harare conference of heads of state of government from these countries and the significance of decisions adopted by that meeting for reducing international tension, bringing about disarmament, resolving hotbeds of crisis, and promoting peace, security, development, and equal cooperation in the world.

The two presidents stressed the decisive role and importance of the United Nations in the struggle for peace and security in the world, for the independent development of all countries, and for the promotion of comprehensive and equal international cooperation.

III.

President of the SR of Romania Comrade Nicolae Ceausescu and President of the SFRY Presidium Comrade Sinan Hasani reiterated their satisfaction with the high degree of understanding and cooperation between the two countries at the bilateral and international levels and highly valued the results of the talks and visit, which strongly reflect the traditional Romanian-Yugoslav friendship and give an impetus to expanding and strengthening comprehensive cooperation between Romania and Yugoslavia and between the peoples of the two countries.

President of the SFRY Presidium Comrade Sinan Hasani invited RCP Secretary General and President of the SR of Romania Comrade Nicolae Ceausescu to pay an official friendship visit to Yugoslavia together with Comrade Elena Ceausescu. The invitation was accepted with pleasure.

RCP POLITICAL BODY DISCUSSES REFERENDUM

AU241956 Bucharest AGERPRES in English 1758 GMT 24 Nov 86

[Text] Bucharest AGERPRES 24/11/1986 -- The Executive Political Committee of the CC of the RCP met on Monday under the chairmanship of RCP General Secretary Nicolae Ceausescu.

The results of the November 23 referendum on Romania's five-percent arms, troops and military spending reduction were analysed during the meeting.

The Executive Political Committee assessed that the results of the referendum strongly highlighted the Romanian people's full adhesion to the disarmament and peace policy consistently promoted by the RCP and the Romanian state, its firm will to fight with all its forces for the cessation of the arms race and a passage to tangible, practical disarmament measures, for the building of a better and more just world without arms and wars.

It was stressed that the organization and unfolding of the referendum -- in which young people aged 14 to 18 were consulted for the first time in the world -- were a powerful expression of the broad democratism of the socialist system which ensures the direct participation of all the country's citizens in the debate and setting of highly significant measures for the homeland's present and future, in the management of society.

The Executive Political Committee stressed with satisfaction that the millions of participants in the referendum -- workers, farmers, intellectuals, men and women, young and old in towns and villages -- enthusiastically approved and backed, through their vote, President Nicolae Ceausescu's new and particularly valuable peace initiative permeated by high responsibility for the Romanian people's life and work, for mankind's destinies.

The Executive Political Committee showed that the referendum, held in an atmosphere of full unity, intense patriotic commitment, and civic responsibility, turned into a vibrating expression of the esteem, gratitude and high valuation the entire nation nurtures for the brilliant activity Nicolae Ceausescu carries on internationally, for his initiatives and actions devoted to peace and disarmament, to providing all the conditions for the Romanian people to carry through the country's socialist development plans and programmes in a climate of quiet, collaboration and full international security.

The Executive Political Committee, Party General Secretary and President Nicolae Ceausescu personally most warmly thanked the millions of citizens of our homeland who participated in the referendum saying a resolute yes to the peace and disarmament policy, to the whole home and foreign policy of the RCP and the Romanian state.

Nicolae Ceausescu expressed the belief that the working people, the whole nation would strengthen their November 23 vote by a sustained activity, by ever greater achievements in the exemplary fulfilment of this year's and the five-year plans, in the attainment of the goals set by the Thirteenth Party Congress regarding the homeland's economic and social development and the steady rise in the standards of living -- material and spiritual -- of the entire people, the unflinching translation into fact of the programme of building the multilaterally developed socialist society and Romania's advance to communism.

Being highly appreciative of the results of the referendum, the Executive Political Committee stressed that, under the current serious and complex international circumstances, all states, all peoples should step up their efforts and cooperate ever more closely now more than ever before, to halt the arms race and pass on to disarmament, to nuclear disarmament in the first place, firmly promote the policy of detente and security, of understanding, cooperation and peace worldwide.

The Executive Political Committee decided that the communique of the Central Referendum Commission be released.

ARMY DELEGATION CONDUCTS TALKS IN GREECE

LD252319 Belgrade TANJUG Domestic Service in Serbo-Croatian 1418 GMT 25 Nov 86

[Text] Athens, 25 Nov (TANJUG) -- Ioannis Kharalambopoulos, the Greek deputy prime minister and minister of national defense, today received Colonel General Zorko Canadi, the chief of general staff of the Yugoslav People's Army (YPA). They held a cordial conversation. Col Gen Zorko Canadi is leading a YPA delegation which is on a 4-day official visit to Greece.

In the talks with the Greek deputy prime minister, it is reported there was discussion of Greece's defense policy, its relations with NATO, the problem of Cyprus, and the current situation in the Balkans.

Col Gen Zorko Canadi, chief of general staff of the YPA, also had lengthy talks with his host, Colonel General Nikolaos Kouris, chief of the National Defense General Staff of Greece, and with Orestis Papastratis, a deputy national defense minister.

The YPA delegation, which includes Major Gneral Zivota Avramovic, the Skipje Army District commander, and Colonel Marko Markovic, chef de cabinet of the Chief of General Staff of the YPA, also visited a Greek Air Force unit near Athens, and Greek aircraft plant. According to the program the YPA delegation will also visit Thessalonika, where they will talk with General Nikolas Vorvolakis, the commander of the Third Army Corps.

FINANCE SECRETARY HOLDS ECONOMIC TALKS IN U.S.

LD251829 Belgrade TANJUG in English 1000 GMT 25 Nov 86

[Text] Washington, November 29 (TANJUG) -- A Yugoslav Finance Secretary Svetozar Rikanovic met with U.S. Secretary of the Treasury James Baker in Washington yesterday. The two sides discussed [words indistinct] of over-all economic relations between Yugoslavia and the U.S., for which a mutual interest exists.

Without expanding and achieving a balances exchange and without facilitating Yugoslavia's access to the U.S. market, as set out, the level of over-all economic relations cannot be expected to rise, as endeavored by both sides.

Joint investments, rather than financial and crdit arrangements, would be a much better and sounder way, Rikanovic and Baker assessed.

A modern and organized marketing of the Yugoslav compact car "Yugo", the exports of which are to reach 60,000 by the end of the year, shows that much can be done in the way of expanding trade. The importance of financial-banking cooperation between the two countries and introducing new forms in this area was also pointed out.

Rikanovic and Baker exchanged views also on international monetary developments and processes, focusing on the developing countries' debt and on ways of weathering the debt crisis. During the talk the two sideds, as at the recent World Bank and international monetary funds, [as received] pointed out that without more strongly stimulating the development policy in the debtor countries, the problem cannot be solved.

FEDERAL CHAMBER ADOPTS 1987 FEDERAL BUDGET

LD261139 Belgrade TANJUG Domestic Service in Serbo-Croatian 1031 GMT 26 Nov 86

[Summary] Belgrade, 26 Nov (TANJUG) -- The Federal Chamber of the SFRY Assembly today adopted the draft federal budget for next year which will amount to 1,971.6 billion dinars. This is an increase of 37.3 percent on this year but the next year's budget share in the country's social product of 6.9 percent is proportionally the same as this year's.

According to Radovan Mikic, member of the Federal Executive Council, who presented the draft budget to the delegates, 1,323.7 billion dinars, or an increase of 36.6 percent on this year, is allocated for financing the Yugoslav People's Army. This amounts to 5.2 percent of the country's national income.

Additional funds for the underdeveloped regions will amount to 149.7 billion dinars, an increase of 36.2 percent on this year, with Kosovo expected to receive an additonal sum of 15.8 billion dinars. A total of 273.4 billion dinars, an increase of 26.4 percent, is earmarked for war veterans and invalid allowances and army pensions; 125.1 billion dinars will be used to finance the work of federal bodies. This is an increase of 28.9 percent on this year. A total of 52.6 billion dinars is earmarked for servicing previous commitments; 15.7 billion for financing material reserves and another 15.5 billion dinars for financing other needs.

SERBIAN MEETING DISCUSSES POLITICAL SITUATION

LD260031 Belgrade TANJUG Domestic Service in Serbo-Croatian 1720 GMT 25 Nov 86

[Excerpts] Belgrade, 25 Nov (TANJUG) -- All organized forces in society committed to socialism are expected to take part in the efforts to emerge from the crisis. The main task facing the LC at the moment is to mobilize these forces. Sluggishness, irresponsible attitude and opportunism in the action to resolve the burning issues of the economic and political situation in both society as a whole and every locality can no longer be tolerated. No one can expect to stay on the side without any concrete task to perform.

This, according to a report, was stressed at today's joint session of the Presidency of the Socialist Republic of Serbia and the Presidium of the Serbian LC Central Committee, presided over by Ivan Stambolic, during the debate on the political and security situation in the republic.

The resolutions adopted at the LC congresses strengthened the belief among communists, working people and citizens that the situation would change for the better more rapidly and determinedly. However, negative trends in many areas of our economic and social life have continued unabated after the congress. Such a situation is a reflection of the fact that the action on the part of the LC and other subjective forces lacks the unity, efficiency and responsibility, especially as regards the efforts to resolve those problems which do not require systemic changes and are not resulting from objective circumstances and material limitations. [passage omitted]

It was stressed in the debate that, from the political-security point of view, stepping up work and technological discipline everywhere is of most importance. We are witnessing frequent fires, accidents and damages to socially-owned assets. The most frequent causes of these are bad organization, weak internal control, irresponsibility, negligence and disregard for technological regulations and norms.

Discussing the increased number of work stoppages, the participants in the session placed particular stress on the fact that work stoppages occur mostly in these organizations and localities which fail to produce results in their economic activity, where the activity of self-managing organs, the LC and trade union is inadequate and where the workers are not given adequate information about the real state of affairs. In most cases work stoppages are an expression of the workers' justified protests against bad management and the lack of momentum among management structures. In some way they also can be interpreted as calls for better work and heightened accountability.

In the discussion at the session, reference was also made to the insensitivity of various social bodies and individuals to citizens' everyday problems which provokes their justified dissatisfaction. In large towns and cities local government bodies responsible for public transport, heating, water and electricity supplies and for looking after people's other needs are malfunctioning. What has recently happened in Kreljevo (the pollution of the river Ibar and unacceptable delay in supplying Kraljevo and the surrounding areas with water from Gruza reservoir) is a serious indication of the need to conside the issue of concrete possibility for such a situation and similar ones promptly. [passage omitted]

In the coming debate on constitutional changes clear political answers must be given, in line with the LCY Central Committee's stance regarding the unity and togetherness in the SR of Serbia, to those problems which have become evident in the activity to realize the constitutional position of the SR of Serbia and of the socialist autonomous provinces within it. The slow pace at which these problems are being tackled is having a negative effect on the political stability in the republic, the report from today's session stresses.

The situation in Kosovo continues to cause great concern and dissatisfaction among members of the LC, the working people and citizens in the SR of Serbia. It is obvious that the LC organs and other leaderships in Kosovo are making efforts to consolidate the political-security situation in the province. Nonethless, there is a delay in the implementation of the conclusions and measures adopted by the SFRY Presidency and the LCY Central Committee Presidium while there is still no sign of any ideo-political differentiation among the groups of individuals in the government bodies, judiciary, local government organizations and other institutions of the political system who either directly or through their passive attitude are hindering the implementation of these meaures. There are very few cases where specific people have been called to account or dismissed from their posts for misusing their powers from nationalist motives. The ideo-political action is for most part limited to forum work. In the struggle to expose Albanian chauvinists it is necessary to develop broad-based ideo-political work which must ionvolve to a much larger degree the most prominent people of Albanian nationality. Their presence and speeches at gatherings of people would be of great moral and political importance for the stability in intranational relatiions in nationally mixed localities.

The increased incidence of violence and, in particular, of cases of rape of underaged girls of Serbian and Montenegrin nationalities as well as other forms of threatening people's lives and dignity indicate that the Albanian nationalists and separatists are attempting to stir people of the Serbian and Montenegrin nationalities into a large-scale revolt, thus provoking intranational conflicts.

The group arrivals of people of Serbian and Montenegrin nationalities in Belgrade and their calls on the federal and republican officials and bodies are a direct result of the lack of efficiency in the struggle to eliminate the causes of their dissatisfaction and of the inadequate political work on the part of the LC and other socio-political organizations and organs of socialist power and self-management. These causes must be vigorously dealt with as these visits are having a negative effect on the mood among the working people and on the political stability in the entire republic. Only in that way would it be possible to curb the practice of coming to Belgrade and provide conditons for resolving their problems and for regaining confidence in the organs of power in the province.

The dissatisfaction and apprehension among the people of Serbian and Montenegrin nationalities are fueled by those political assessments which interpret the justified complaints by these people over the manifestations of lawlessness and their visits to Belgrade as an expression of Serbian nationalism. In every specific case the LC must make efforts to protect those who are threatened. In Kosovo today these are citizens of Serbian and Montenegrin nationalities. It is therefore necessary to Serbian and Montenegrin nationalities. It is therefore necesary to make a clear distinction between people's justified dissatisfaction and difficulties and the attempts by individuals acting from the positions of Serbian nationalism to manipulate this disatisfaction and to disseminate mistrust in the entire Albanian nationality. [passage omitted]

Noting that recently there has been an upsurge in the activity of the opposition forces both in the republic and the whole of Yugoslavia, the Presidency of the SR of Serbia and the Presidium of the Serbian LC Central Committee agreed that the Serbian LC's prompt and vigorous action in exposing antisocialist, nationalist and dogmatic-bureaucratic ideas and their proponents ave received widespread support within the working class and the entire progressive public. The LC's ideological opponents, in particular nationalists and advocates of the policy of the so-called firm hand, are trying to take advantage of the real problems confronting our society in order to impose their outmoded reactionary platform which does not include the policy of national equality and the constitutional provisions of a socialist self-managing democracy. The ideas which foment intranational hatred and are directed toward destroying Yugoslavia and which are contained in the memorandum by the group of Serbian academicians, clearly indicate that even the reputation of the most significant scientific and cultural institutions of the Serbian people are not safe from being misused for political purposes. This type of political activity must be ountered by both words and deeds on the part of communists and other progressive scientists in the Serbian Academy of Sciences and Arts. [passage omitted]

FBIS

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CEMA NUCLEAR POWER COMMISSION MEETS IN WARSAW

LD252334 Warsaw PAP in English 2200 GMT 25 Nov 86

[Text] Warsaw, Nov. 25 -- The 15th session of CMEA countries' Intergovernmental Commission for Production and Supplies of Installations for Nuclear Power Plants started in Warsaw today. The session is attended by delegations from Bulgaria, Hungary, the GDR, Poland, Romania, the Soviet Union, Czechoslovakia, Yugoslavia, and Cuba, headed by respective countries' vice-premiers.

The 1979 agreement which gave birth to this organization is among the largest co-production agreements ever signed within the CMEA. The value of mutual annual supplies covered by the agreement amounts to about 500 million roubles, including 30-40 million roubles worth of Polish exports. In the years 1981-1990 Poland is also expected to manufacture many specialized installations for generating nuclear power.

While opening the session, Polish Vice-Premier Zbigniew Szalajda underscored that in the five most advanced CMEA countries in nuclear power engineering, the share of electric energy generated by nuclear power plants ranged from 10 to over 30 per cent towards the end of last year.

Referring to safety of nuclear power plants, the vice-premier pointed to the tremendous significance of mobilizing human activity in removing potential threats carried by civilization.

Szalajda recalled that after the Chernobyl accident the Soviet leadership drew far-reaching conclusions from what had happened. The concept of establishing an international regime for the safe use of nuclear energy was presented by Mikhail Gorbachev last May 14.

Taking the chairmanship of the debates, soviet Vice-Premier (and at the same time the commission's chairman) Ivan Silayev recalled the results of the 42nd CMEA session held in Bucharest. The session adopted a programme to develop nucleal power engineering in the CMEA states which provides for 50 thousand MW power to be installed in nuclear reactors in states belonging to that grouping, except the USSR, by the year 2000. (At present, the power installed in such reactors amounts to eight thousand MW.)

"That is why it is so important and necessary to improve cooperation of CMEA countries in developing the production and supplies of installations for nuclear power plants and to streamline investment processes accompanying the construction of nuclear power plants," Silayev said.

The participants in the session voiced an unanimous consent to admit Cuba to the 1979 agreement.

In the discussion, special attention was called to work in the field of nuclear safety and technical measures serving it.

The session assessed the to-date course of the implementation of the 1979 agreement and passed decisions securing its full completion. It also discussed the possibility to extend the agreement into the years 1991-2000. A protocol on the issue is expected to be signed at the commission's next session to be held in Bucharest in 1987. A significant part of the debates dealt with the improvement in the organization of quality control of installations for nuclear power plants in individual states.

Szalajda on Safety Issues

LD252117 Warsaw PAP in Russian 1500 GMT 25 Nov 86

[Text] Warsaw, 25 Nov (PAP) -- The 15th session of the CEMA Intergovernmental Commission on Production and Deliveries of Equipment for Nuclear Power Plants has started in Warsaw. It is attended by delegations from eight member states of the treaty on multilateral international specialization and cooperation in the sphere of production and mutual deliveries of equipment for nuclear power stations in the 1981-90 period, and also Cuba, which has expressed a wish to sign this treaty.

Addressing the session, Zbigniew Szalajda, deputy chairman of the PPR Council of Ministers, touched upon the question of safety of nuclear power stations, saying that accidents and even disasters are always part and parcel of the development of civilization, in particular of this development -- as in the case of nuclear power industry -- is taking place at an accelerated pace. Thus, conclusions drawn from such events have to assist in increasing the safety level of work in buildings and with equipment of the nuclear power industry.

The session is chaired by Ivan Silayev, deputy chairman of the USSR Council of Ministers.

Protocols Signed

LD270033 Warsaw Television Service in Polish 1830 GMT 26 Nov 86

[Text] The chairmen of the delegations to the 15th meeting of the Intergovernmental Commission of the CEMA countries for the Production and Supply of Nuclear Power Stations have been received at the Office of the Council of Ministers by Premier Zbigniew Messner. Ivan Silayev, chairman of the commission and deputy chairman of the USSR Council of Ministers, reported on the subjects under discussion. Views were also exchanged about the state of and development prospects for nuclear power in the CEMA states.

In the evening, the chairmen of the CEMA states' delegations taking part in the commission's work signed a protocol on the deliberations at the palace of the Office of the Council of Ministers. The protocol sets out the main tasks in the implementation of the agreement for next year. A protocol also was signed on the Republic of Cuba's accession to the agreement. The commission also examined the implementation of the comprehensive program for scientific and technical advances of the CEMA member states up to the year 2000, from the angle of speeding up the development of nuclear energy, taking into particular consideration work safety in nuclear plants.

WARSAW PACT DEFENSE MINISTERS TO MEET IN DEC

LD251919 Warsaw Television Service in Polish 1830 GMT 25 Nov 86

[Text] The next meeting of the Committee of Defense Ministers of the Warsaw Pact states will take place in Warsaw in the first half of December.

REPRESENTATIVES ADDRESS VIENNA CSCE MEETING

CSSR Delegate

LD262107 Prague CTK in English 1406 GMT 26 Nov 86

[Text] Vienna Nov 26 (CTK correspondent) -- Though the CSCE follow-up meeting has entered the fourth week, certain delegations still keep silence on the main problems or make talks on them subject to conditions, Czechoslovak delegate Milan Kadnar told the follow-up meeting of the Conference on Security and Cooperation in Europe here today. These delegations act as if security, cooperation, conventional disarmament, economic cooperation or environmental protection were second-rate problems, he said and stressed that the main concern of Europeans and Americans are both human rights and disarmamment. However, linking these problems is contrary to the interests of nations, he said.

The head of the Czechoslovak delegation in this connection posed the question how the West would react if the socialist states continued the development of relations by the fulfillment of humanitarian commitments by the NATO states. He noted that the NATO countries hold extensive military exercises in Western Europe, deploy Pershing 2 nuclear missiles and cruise missiles not far from Czechoslovakia's western frontier. He called on the NATO states to react positively to the proposals of the socialist countries for reducing nuclear and conventional armed forces.

SFRY Delegate

LD270035 Belgrade TANJUG in English 1846 GMT 26 Nov 86

["Pool" item]

[Text] Vienna, November 26 (TANJUG) -- The head of Yugoslavia's delegation to the Vienna follow-up of the Conference on Security and Cooperation in Europe (CSCE), Ambassador Ignac Golob, pointed to inseparability of the security in Europe and the Mediterranean in his speech at the meeting here today. A peaceful future in the Mediterranean can be ensured by strengthening North-South cooperation in the region, he said. Extending the security- and confidence-building measures within the CSCE framework to cover the Mediterranean should pave the way for a gradual reduction of the armed forces and armaments in the region, for eliminating the foreign bases and fleets, said Ambassador Golob. "There is a wide and dangerous abyss between the turbulent Mediterranean region, torn with crises," and the comparative stability on the continent of Europe, he pointed out, recalling that it was proved also by the statements made by the representatives of non-European Mediterranean countries at last week's Vienna meeting.

"The Mediterranean dimension of the Helsinki Final Act was widely ignored and in many instances comfortably forgotten at the expense of peace, security and cooperation," said Ambassador Golob. Everywhere in the Mediterranean, the naval and air forces, with their destructive capability and manoeuverability, were demonstrated, and at times also used. People in the region were the victims of outside military occupation, the use of force, bombardments of towns and villages inhabited by innocent civilians, raids and terrorism applied either individually or by the state. Recalling the nonaligned countries' efforts for a settlement of the Middle East crisis and for peace in the Mediterranean, the Yugoslav representative said that a proposal made at the Vienna meeting by Malta on holding a specialized CSCE meeting on security and cooperation in the Mediterranean deserves full attention.

ENVOY TO PRC PRESENTS CREDENTIALS

AU261300 Tirana ATA in English 1019 GMT 26 Nov 86

[Text] Tirana, November 26 (ATA) -- On November 25, 1986, the ambassador extraordinary and plenipotentiary of the People's Socialist Republic of Albania to the People's Republic of China, Justin Papajorgji, presented the credentials to the vice-chairman of the People's Republic of china, Ulanhu.

Attending the ceremony on the occasion were the vice-minister of foreign affairs, Qian Qichen, the vice-director of the protocol Yang Zengye, and vice-director of department at the ministry of foreign affairs, Van Shiu Te [name as received].

ALIA RECEIVES EGYPTIAN AMBASSADOR'S CREDENTIALS

AU261320 Tirana ATA in English 0948 GMT 26 Nov 86

[Text] Tirana, November 26 (ATA) -- The resident of the Presidium of the People's Assembly of the People's Socialist Republic of Albania, Comrade Ramiz Alia, received the ambassador extraordinary and plenipotentiary of the Arab Republic of Egypt to the People's Socialist Republic of Albania, Yusef 'Umar al-Hindi, who presented the credentials.

Attending the ceremony of handing over the credentials were the minister of foreign affairs Reis Malile, the secretary of the Presidium of the People's Assembly Sihat Tozaj, Director at the Ministry of Foreign Affairs Zequi Agolli and the chairman of the Protocol Branch of the Ministry of Foreign Affairs Kostaq Cifligu.

The ambassador was accompanied by diplomats of the Embassy of the Arab Republic of Egypt in Tirana.

ZHIVKOV WELCOMES BENINESE PRESIDENT KEREKOU

AU271525 Sofia BTA in English 1051 GMT 27 Nov 86

[Text] Sofia, November 27 (BTA) -- Mr. Mathieu Kerekou, chairman of the Central Committee of the Parti de la Revolution Populaire du Benin, president of the People's Republic of Benin and chairman of the National Executive Council of Benin, arrived here today on an official friendly visit.

The visit is taking place at the invitation of Mr. Todor Zhivkov, secretary general of the CC of the BCP and president of the State Council of Bulgaria.

The distinguished guest was welcomed by Mr. Todor Zhivkov, Mr. Georgi Atanasov, member of the Politburo of the CC of the BCP and chairman of the Council of Ministers, and by other officials.

Leaders Hold Talks

AU272148 Sofia BTA in English 2026 GMT 27 Nov 86

["Official Talks Between T. Zhivkov and M. Kerekou" -- BTA headline]

[Text] Sofia, November 27 (BTA) -- Bulgaria and Benin have similar positions on the basic issues of our time. Mr. Todor Zhivkov, secretary general of the CC of the BCP and president of the State Council, and Mr Mathieu Kerekou, chairman of the Central Committee of the Parti de la Revolution Populaire du Benin, president and chairman of the National Executive Council of Benin, voiced their concern over the tensions in the world.

Bulgaria and Benin are for the adoption of efficient measures to halt the arms race, to effect disarmament, to eliminate all nuclear weapons and to resolve all conflicts by peaceful means. The Bulgarian leader spoke about the great significance of the Soviet proposals made at the Reykjavik summit, which are aimed at dismantling all nuclear arms within a short period of time and correspond to the interests of all peoples of the world. Mr Todor Zhivkov paid special attention to the need to prevent the arms race's proliferation into space.

It was noted that the sources of tension in different parts of the world constitute a danger to peace. In this connection the two leaders agreed that a just solution could be found to all problems and spoke in support of the just struggle of the peoples for independence and democracy. They condemned racism, apartheid, colonialism and neocolonialism.

Mr Todor Zhivkov briefed his distinguished guest on Bulgaria's peace-loving and constructive foreign policy and her efforts to strengthen cooperation and understanding, good-neighbor relations in the Balkans, in Europe and world-wide.

The two leaders told each other about the tasks their countries have to fulfil on their road to progress. Mr Todor Zhivkov emphasized Bulgaria's policies of rapidly transferring the achievements of the techno-scientific revolution into practice. Mr Mathieu Kerekou spoke about his people's struggle for the consolidation of their national independence and expressed his gratitude for Bulgaria's assistance.

The two leaders gave a high assessment to the bilateral relations and agreed that there are excellent prospects for the activation of the cooperation in all fields of life.

The talks were also attended by other party and state officials of the two countries. [Sofia Domestic Service in Bulgarian in its newscast at 1730 GMT on 27 November, in reporting the start of the talks, adds: "This evening the official talks started between Comrades Todor Zhivkov and Mathieu Kerekou, the Benin leader. On the Bulgarian side, Comrades Milko Balev, Pencho Kubadinski, Georgi Yordanov, Ivan Iliev -- deputy chairman of the Council of Ministers -- ministers and deputy ministers took part in the talks, and on the Benin side, the officials accompanying Mathieu Kerekou."]

ZHIVKOV INTERVIEWED BY 'AFRICAN CONCORD'

AU280755 Sofia RABOTNICHESKO DELO in Bulgarian 26 Nov 86 pp 1, 6

[Report on interview given by Todor Zhivkov, general secretary of the BCP Central Committee and chairman of the State Council of Bulgaria, to the UK-based journal AFRICAN CONCORD, entitled: "I Believe in Mankind's Future" -- first paragraph is newspaper's introduction]

[Text] Lagos, 25 November (BTA) -- The authoritative journal AFRICAN CONCORD publishes an interview given to the journal's representative by Todor Zhivkov, general secretary of the BCP Central Committee and chairman of the State Council. In the interview, Comrade Todor Zhivkov replies to questions on the principal stages in the development of socialist Bulgaria, its successes and most topical socioeconomic tasks, and its consistent and peace-loving foreign policy.

In the socialist restructuring of our economy, we have placed emphasis on its accelerated industrialization, without underestimating agriculture in the least and relying on the advantages of socialist management and the active labor of our people; by implementing close cooperation, primarily with the Soviet Union and the other countries of the socialist community, but also with a number of newly liberated states and capitalist firms and countries, we have managed to develop important trends in scientific and technical progress -- in electronics, machine building, and chemistry, and to win international recognition in these fields, it is stressed in the interview.

The main aim now is to further develop socialist democracy and socialist self-management and to turn the working people and their collectives into managers [stopani] of socialist property and individual managers [subekti na upravlenieto].

The achievements gained by us in socioeconomic and cultural development are the result of the Bulgarian people's perserving labor, but they would have been impossible without the friendship and cooperation with the socialist countries and, first and foremost, without the comprehensive cooperation and drawing together with the Soviet Union. Our country is also actively cooperating with dozens of other states -- capitalist, developed, and developing countries, and is ready to expand this cooperation, as it is of mutual interest for the well-being of the peoples, in the name of peace.

In reply to a question concerning the contemporary international situation, Comrade Todar Zhivkov pointed out that today humanity faces the fateful dilemma: to be, or not to be. Now, as never before, the threat of nuclear annihilation hangs over the entire world, and arms plans have piled up. Our planet is now a powder keg which may blow up at any moment. For this reason, the seeking and finding of ways to establish a lasting peace in the world require fundamentally new political thinking, completely new vision, and new approaches to international affairs. An example of such an approach is the bold, radical proposals to reduce nuclear weapons made by Mikhail Gorbachev and Ronald Reagan in Reykjavik. Unfortunately, a historic chance was missed for a big step along the road to finally eliminating the nuclear plague by the end of the century.

However, we are optimists. New political realities have been created and are being created. Behind them stand immense forces -- states, governments, political movements, public figures, and peoples -- forces which cannot be ignored by the handful of lovers of war, and which the latter have to take more and more into account. I believe in the future of mankind, stressed Comrade Todor Zhivkov, and am deeply convinced that the mankind will be able to reverse the dangerous course of events and will live in peace, security, and cooperation.

The relations between the People's Republic of Bulgaria and the Federal Republic of Nigeria are good and friendly, it is noted further on in the interview. Nigeria has become our greatest trading partner among the sub-Sahara African countries. A number of installations have been constructed in Nigeria with our participation, and our highly qualified Bulgarian specialists are working here.

Bulgaria and Nigeria have common concepts on a number of international problems. We are both concerned with the arms race and the risk of nuclear war. Our positions also coincide, or are close, on such issues as the restructuring of international economic relations on a just democratic basis, and in our approach to regional sources of tension. There are differences between us concerning the need to combat colonialism, neocolonialism, racism, and apartheid.

Our country solidly supports the indigenous African population of the Republic of South Africa, led by the African National Congress, in their struggle for freedom, human rights, and to eliminate the regime of apartheid. We share the African countries' positions in the UN, the Organization for African Unity, and other international forums, including that of the conference of the Nonaligned Countries Movement in Harare. The People's Republic of Bulgaria declares its support for strict observance of the UN resolution providing for the application of all-embracing, obligatory sanctions against the Republic of South Africa, and condemns the policy of "constructive cooperation" with the racist South African regime being conducted by the United States and certain Western countries.

We firmly oppose the policy of destabilization and the aggressive actions of the Republic of South Africa against the People's Republic of Angola, the People's Republic of Mozambique, Zimbabwe, Botswana, and Lesotho, insist on an unconditional halt to the breaches of the sovereignty and territorial independence of the "frontline states," and support their struggle for national independence.

Bulgaria supports the Namibian people's struggle for national liberation and independence under the leadership of the South-West African People's Organization -- its only lawful representative.

Our country has constantly given support, and will continue to do so, to the African people's in their struggle against colonial domination and to consolidate their political and economic independence.

At the end of his interview for the journal AFRICAN CONCORD, comrade Todor Zhivkov conveyed his greetings to the state leadership and people of Nigeria and his good wishes to the Nigerian people for successes and prosperity on their chosen path of development.

KHRISTOV, ALBANIA'S CARCANI SIGN TRADE AGREEMENT

AU272237 Sofia BTA in English 2111 GMT 27 Nov 86

["Bulgaria-Albania: Broadening of Trade" -- BTA headline]

[Text] Sofia, November 27 (BTA) -- A Bulgarian trade delegation headed by Mr Khristo Khristov, minister of trade, paid an official visit to Albania from November 25 to November 27 1986. The delegation had a number of meetings and exchanged views with its Albanian hosts on the finding of ways to broaden the trade links between the two countries.

Mr Khristo Khristov was received by Mr Adil Carcani, chairman of the Council of Ministers of Albania. The two politicians gave a positive assessment to the development of the bilateral trade and outlined the possibilities for its further expansion in the spirit of the traditional relations of friendship between the Bulgarian and Albanian peoples.

Mr Khristo Khristov and his Albanian host Mr Shane Korbeci, minister of foreign trade of Albania, signed a long-term agreement to 1990 which envisages a three-fold increase of the two countries' trade exchange.

ECONOMIC COOPERATION SESSION WITH CAMBODIA ENDS

AU271232 Sofia BTA in English 0937 GMT 26 Nov 86

[Text] Sofia, November 26 (BTA) -- The Bulgaro-Cambodian Intergovernmental Commission for Economic and Techno-Scientific Cooperation, created nearly five years ago, has had a very considerable role in activating the relations between the two countries. Each session of the commission helps develop the economic relations in those fields that are of greatest significance for stabilizing Cambodia's industry and agriculture.

A protocol was signed in Sofia yesterday on the results of the fourth session of the commission which was held here. The document envisages a broadening of the cooperation in three main fields: The rubber industry, timber processing and the tobacco industry. Bulgaria will render technical assistance to the modernization of these branches of the Cambodian economy. Closer ties will be developed in the fields of science and technology. Cambodian personnel will be able to specialize in Bulgaria.

The protocol was signed by the chairmen of the two parts of the commission, Mr Aleksi Ivanov, minister of agriculture and forestry, and Mr Kong Samol, minister and assistant to the chairman of the Council of Ministers of Cambodia on matters of agriculture and the rubber production.

A protocol was signed on the exchange of goods and payments between the two states to 1987.

BRIEFS

SHIPBUILDING AGREEMENT WITH USSR -- On 14 November in Sofia the 36th meeting of the Permanent Bulgarian-Soviet Working Group on Economic and Scientific-Technical Cooperation in Shipbuilding ended. An agreement was signed on mutual exchange of technological equipment for the needs of the two countries' shipbuilding industry. With this, the visit of the delegation of the USSR Ministry of Shipbuilding Industry, led by Deputy Minister Leonid Pruss, ended. [Text] [Sofia RABOTNICHESKO DELO in Bulgarian 15 Nov 86 p 2 AU]

TRADE, PAYMENT PROTOCOL SIGNED WITH HUNGARY

LD270051 Prague CTK in English 1941 GMT 26 Nov 86

[Text] Prague Nov 26 (CTK) -- Czechoslovak-Hungarian trade will be worth 1.670 million roubles next year, 4.6 percent more than in 1986, according to the two countries' 1987 protocol on trade and payments signed here today.

The main items in Czechoslovak exports to Hungary are machinery and equipment, such as machine tools, power plant equipment, building and road building machines, automobiles, farm machinery, rail vehicles etc.

Going the other way are metal-working machines, farm machinery, computers, telecommunication equipment, aluminum, table oils, fruit and vegetables, wine and other goods.

Czechoslovakia and Hungary will exchange next year consumer goods worth 270 million roubles. Mutual deliveries based on agreements on specialization and cooperation in production will account for 34 percent of the total goods exchange.

BILAK, FRANCE'S GREMETZ SIGN COOPERATION PROTOCOL

LD262317 Prague Domestic Service in Slovak 1600 GMT 26 Nov 86

[Text] Talks continued today at the Paris French Communist Party [PCF] headquarters between a CPCZ delegation headed by Vasil Bilak, member of the Presidium and secretary of the CPCZ Central Committee, and a PCF delegation headed by Maxime Gremetz. Here is our permanent correspondent Vaclav Chadraba with a report:

[Chadraba] An important part of the talks was devoted to an analysis of the international situation, especially to matters of war, peace, and disarmament. Both sides paid high tribute to the Soviet Union's peace initiatives and reaffirmed their commitment to hold dialogue with anyone who is interested in warding off the nuclear danger. In this context, they also recalled the continuing validity of the common ideals of communists: to build a world free of weapons and free of war. The CPCZ and PCF delegations also expressed their position on a number of topical issues of the international workers and communist movement. The day's agenda also included problems conected with developing countries, their debt, and economic dependence, and proceeding from this, the need for joint aid to those states and the need to struggle for a new economic order.

At the end of their talks, delegation heads Vasil Bilak and Maximne Gremetz signed a cooperation protocol between the parties. In this context, Comrade Bilak stated that the document they signed set out the framework for the coming period, but that nothing prevented joint actions from being stepped up beyond that framework. The proceedings so far are covered in detail in today's issue of the PCF organ L'HUMANITE.

HUSAK, USSR ENVOY DISCUSS COOPERATION

LD222241 Prague Domestic Service in Czech 1700 GMT 21 Nov 86

[Text] Gustav Husak, CPCZ Central Committee general secretary and president of the Republic, received Viktor Lomakin, the Soviet ambassador to Czechoslovakia, in Prague today. He discussed with him some topical matters concerning Czechoslovak-Soviet cooperation.

PARTY, GOVERNMENT STATEMENT ON 42D CEMA MEETING

AU251249 Prague RUDE PRAVO in Czech 20 Nov 86 p 1

["(Z)"- signed report: "Statement of the CPCZ Central Committee Presidium and the CSSR Government on the Results of the 42d Meeting of CEMA"]

[Text] Prague -- The CPCZ Central Committee Presidium and the CSSR Government have discussed the results of the 42d meeting of CEMA, held in Bucharest, capital of the SR of Romania, on 3 to 5 November.

They voiced appreciation for the fact that, despite a complicated situation on world markets, the implementation of the conclusions of the economic summit conference and the intensification and enrichment of cooperation among CEMA member-countries contributed to a growth in their economic potential and to reinforcing the unity and cohesion of the socialist community.

They emphasized the importance of implementing the Comprehensive Program of Scientific-Technical Progress of CEMA Member-Countries Througn the Year 2000, especially for the development of wide-ranging international scientific-technical cooperation. This is also reflected in the deepening coordination of national economic plans and in the orientation of joint investment projects.

The CPCZ Central Committee Presidium and the CSSR Government voiced their full support for the program of building nuclear power and heating stations through the year 2000, which will significantly expand the fuel-power base of CEMA member-states and thereby speed up their development and raise the efficiency of their national economies.

They expressed their agreement with the unequivocal determination of all participants in tne 42d CEMA meeting to back the Soviet peace proposals presented to the United States at the Reykjavik meeting by the highest representatives of the USSR and to carry on the struggle for halting the arms race, eliminating the threat of nuclear war, and bringing about a just solution of the most important international economic problems.

The CPCZ Central Committee Presidium and the CSSR Government expressed the conviction that the implementation of the conclusions of the 42d meeting of CEMA will be an important step toward speeding up the process of socialist economic integration and an important contribution to the intensification of the Czechoslovak national economy.

They approved the course of action of the Czechoslovak delegation at the 42d CEMA meeting and adopted measures to ensure the meeting's conclusions.

CAUSE OF LUCINA RIVER POLLUTION ASCERTAINED

AU181258 Prague RUDE PRAVO in Czech 14 Nov 86 p 1

["JT"-signed report: "Perpetrator of Accident Proved Guilty" -- passage between slantlines published in boldface]

[Text] Ostrava (From our correspondent) -- The inspectors of the State Water Economy Inspection in Ostrava have found the source of the crude oil accident which has caused the efflux of mazut into the small Lucina River. [paragraph continues]

In cooperation with other experts they ascertained that the /Ostrava plant No 4 of the Cement Works and Lime Kilns in Hranice/ had been guilty of violating regulations. According to the experts, the immediate cause of the accident was the poor technical state of separators in the boiler house of the plant. The State Water Economy Inspection proposes to fine the plant Kcs0.5 million; in keeping with the provisions of the law and water economy regulations, the culprit must contribute to the immediately remedying of the damage. The measure of personal blame is being investigated further.

Salvage work on the lower part of the Lucina waterway continues. The mazut is no longer flowing from the canal sluice, and the large collective of workers from the odra River Basin enterprise and from other organizations is gradually overcoming the effects of this extraordinary incident. Yet another interception boom has been placed there, and a similar device installed on the Ostravice at its confluence with the Odra. According to a statement issued by the accident commission, the situation in the threatened sector of these rivers is gradually improving.

[Prague RUDE PRAVO in Czech on 15 November carries on page 2 a 350-word "(JT)"-signed report, entitled "On the Scene of the Accident" and quoting the director of the plant in Ostrava-Kuncicky, which caused the pollution on the actual causes of the accident: "The accident was caused by the overloading of waste-water collecting and purification facilities with a low oil-separation capacity during an excessive inflow of dirty water while the levels in the through-flow separator of water from mazut were badly adjusted." The report concludes by saying that "no mazut is now flowing into the Lucina River, but oil stains and traces of crude oil pollution are apearing in the Ostravice and Odra rivers. Water economists and firemen have set up a heavy boom to contain the mazut in Bohumin-Chalupky on the Czechoslovak-Polish border."]

GOVERNMENT WITHDRAWS HONORARY TITLE FROM EMIGRE

AU201122 Bratislava PRAVDA in Slovak 13 Nov 86 p 2

[CTK report: "Title Withdrawn"]

[Text] Prague (CTK) -- The CSSR Government has withdrawn the honorary title "merited artist" from Waldemar Matuska, who has parted ways with his fatherland by emigrating to the United States and who has betrayed the mission of an artist in our society.

BRIEFS

CSSR-DENMARK COMMISSION -- Prague Nov 27 (CTK) -- A four-day session of the mixed Czechoslovak-Danish commission for economic, industrial and technological cooperation ended here today. The Danish delegation was led by Arne Christiansen, chairman of the Danish Committee for Economic and Industrial Cooperation of the Foreign Ministry and the Czechoslovak delegation was headed by Zdenek Padevet, director of a department of the Foreign Ministry. The commission dealt with the present development of mutual economic cooperation and the possibilities of its extension, paying special atention to the implementation of a long-term program of economic, industrial and technological cooperation, signed by the Czechoslovak and Danish Governments in 1984. The program includes concrete projects of cooperation in agriculture, the food industry, electrical engineering, engineering and the building industry. [Text] [Prague CTK in English 1610 GMT 27 Nov 86 LD]

FISCHER MEETS WITH BELGIUM'S MARTENS, TINDEMANS

LD262001 East Berlin ADN International Service in German 1751 GMT 26 Nov 86

[Text] Brussels, 26 Nov (ADN) -- GDR Foreign Minister Oskar Fischer was received by Belgian Prime Minister Wilfried Martens in Brussels today. Oskar Fischer, who had arrived today on an official visit, and Wilfried Martens discussed -- in an open and cordial atmosphere that linked the talks held during the recent visit to the GDR by the Belgian prime minister -- international questions following Reykjavik and the further shaping of bilateral relations. They agreed in the view that results-oriented dialogue and constructive cooperation were a valuable and necessary contribution to improving the international climate and for the safeguarding of peace.

Prime Minister Martens explained his country's intention to support the Geneva negotiations with a 6-month moratorium on the deployment of a further 32 cruise missiles, planned for the end of 1987. Oskar Fischer explained the GDR's foreign policy course set out by the 11th SED Congress and the recent initiative for a nuclear-weapons free corridor where the two military blocks in Europe adjoin.

Earlier, Oskar Fischer held a meeting with the foreign affairs committees of the two chambers of parliament at which agreement was reached that especially today there was no reasonable alternative to the policy of peaceful coexistence and that relations between parliamentarians could contribute to this. The deputies and senators expressed high regard for Erich Honecker's statement at the third plenum of the SED Central Committee that if the issue of medium-range weapons was solved the short-range nuclear missiles would also disappear from GDR territory.

During the course of the first day of the visit there were negotiations between GDR and Belgian delegations, headed by Oskar Fischer and Belgian Foreign Minister Leo Tindemans. It was noted that bilateral relations continued to develop well and to mutual advantage. As an example of this, the two ministers paid tribute to the recent consultations by experts from the two countries on problems of common interest in connection with a general ban on chemical weapons.

Following the negotiations the ratification documents on a bilateral judicial assistance agreement were exchanged. The day ended with a dinner given by the Belgian foreign minister for his GDR guest in the Egmont Palace in Brussels.

Fischer, Tindemans Dinner Toasts

LD262150 East Berlin ADN International Service in German 1912 GMT 26 Nov 86

[Text] Brussels, 26 Nov (ADN) -- In his toast at the dinner in Egmont Palace in Brussels this evening, Belgian Foreign Minister Leo Tindemans recalled the visit he had made to the GDR with Prime Minister Wilfried Martens in September, and said: "The talks held on this occasion allowed us to enrich the content of the constant dialogue between Belgium and the GDR and to extend its range. On the occasion of this meeting, our two governments once again confirmed their wish to deepen their bilateral relations and to work for a more just and secure world at international level." This desire for peace is the basic condition for the future of the continent.

Leo Tindemans welcomed the development of bilateral trade relations and the industrial and technical exchange. He also assessed cultural relations positively.

He said that the GDR and Belgium were members of different alliances and economic systems but faced the same vital international problems. Everyone was urged to find answers to them so that peace would securely be ensured. This is the goal of the various forums such as the CSCE, which was extremely important. Belgium welcomed with satisfaction the result of the Stockholm Conference, which opened up encouraging prospects for the Vienna meeting. His country will work to see that it leads to results which do justice to the goals of the participating states. The international community can only gain through genuine arms limitation, the Belgian foreign minister said. "From this point of view, the exchange of views between our experts on the measures to be taken and their type and manner, with regard to a complete ban on chemical weapons can be seen as aiding this."

In his reply, GDR Foreign Minister Oskar Fischer said that in view of the danger of a new world war waged with nuclear weapons, peaceful coexistence has become the only tenable form of relations between states with different social systems. If peace is to be preserved, then differences must no longer shape international politics.

"The meeting of the leading representatives of the USSR and the United States in Reykjavik made it apparent that concrete agreements on a drastic reduction in nuclear weapons would be immediately possible if there was no Star Wars program, no striving for military supremacy. In order for this chance to become reality, after all it is urgently necessary, in the GDR's opinion, to intensify purposefully the dialogue and all contacts and negotiations for disarmament."

He continued: "We would not understand an insistence on a policy which seeks the security of only one side, in addition to the dubious amassing of increasingly ingenious nuclear and other weapons systems. We are, as the general secretary of the SED Central Committee and chairman of the GDR State Council stressed, for a strategy of mutual security, because only this can avert the threatening nuclear inferno. Following the Reykjavik meeting, the elimination of the nuclear arsenals has come to the fore in Europe. Last week Erich Honecker called for movement to be brought into this very question. The GDR -- mindful of its responsibility on the sensitive dividing line between the two military pacts -- has also submitted its own initiatives for helping to reduce military confrontation in the heart of Europe."

Oskar Fischer pointed to the proposals for establishing a chemical weapons-free zone and a nuclear weapons-free corridor in Central Europe and in this connection welcomed the consultations on questions of chemical weapons that have begun between the GDR and Belgium.

Fischer News Conference

LD272117 East Berlin ADN International Service in German 1824 GMT 27 Nov 86

[Text] Brussels, 27 Nov (ADN) -- "The GDR is following a strategy of mutual security, because only this can avert a nuclear inferno from our continent and from the world. To have agreed basically on this with my Belgian partners in the talks is I believe, the most important result of my visit." This was said by GDR Foreign Minister Oskar Fischer at a news conference in Brussels today at the end of his 2-day official visit to Belgium which, as he said, had continued the regular political dialogue between the two countries.

This corresponded to a mutual need issuing from concern over the course of international developments and from disquiet over the continuing arms race and the growing threat of nuclear war.

Reykjavik made it clear how tangible the chance was and is to reach concrete agreements on the drastic reduction of nuclear weapons of all kinds. "I am glad to be able to note that my Belgian partners in the talks also share my view that everything must be done so that what emerged in Reykjavik can become reality after all."

The talks brought agreement in the assessment of the possibilities and the necessity of contributing to greater predictability, detente, and security through one's own initiatives. We welcomed the decision of the Belgian Government to support the Geneva negotiations with a moratorium on the further deployment of cruise missiles in Belgium from the end of 1987. All Belgian partners in the talks praised the GDR's readiness in the event of the elimination of medium-range missiles in Europe, also to reverse the deployment of short-range nuclear missiles on GDR territory.

On the second day of his visit, Oskar Fischer met Louis van Geyt, chairman of the Belgian Communist Party. Today, he was also a guest at the Cockerill Sambre metallurgical concern in Liege Chertal, where he viewed a continuous casting plant and a hot rolling mill.

This evening Oskar Fischer gave a cocktail party, to which he invited his Belgian counterpart Leo Tindemans.

HONECKER HOLDS TALKS WITH USSR'S NIKONOV

LD261613 East Berlin ADN International Service in German 1153 GMT 26 Nov 86

[Text] Berlin, 26 Nov -- Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, received the CPSU Central Committee Secretary Viktor Nikonov on Wednesday. The Soviet guest, who leads a CPSU Central Committee delegation, conveyed fraternal greetings from CPSU Central Committee General Secretary Mikhail Gorbachev, which were most cordially reciprocated by Erich Honecker.

The focus of the friendly talk was the way in which the SED and CPSU could contribute on the basis of the recent meeting of general secretaries and first secretaries of the CEMA fraternal countries to making peace more secure in the world through the further strengthening of socialism in the fraternal countries.

Speaking about the decisions of the 11th party congress and the results of the third session of the SED Central Committee, Erich Honecker explained the SED's strategy and tactics in the further development of advanced socialist society. Here he emphasized in particular the efforts of the party aimed at the steady fulfillment of the main task in its unity of economic and social policy which found a broad response and support for highest performances among the working people.

With reference to the far-reaching results of his meeting with Mikhail Grobachev, Erich Honecker emphasized that the SED and the whole population of the GDR viewed the fraternal alliance with the CPSU and the USSR as a fundamental revolutionary gain and as a decisive guarantee for the further successful progress of the GDR.

The policy of safeguarding peace, of disarmament, and of avoiding a nuclear inferno, championed by the CPSU and its general secretary, Mikhail Gorbachev and demonstrated again before the eyes of the world in Reykjavik, was and is seen by the SED as the correct way to a secure peace. It supports this policy with all its strength and is making its own active contribution to help it succeed. In this spirit, Erich Honecker emphasized, the further development of advanced socialist society and the struggle, full of initiative, for safeguarding peace determine in their inter-connection for the content and form of the SED's work.

Viktor Nikonov briefed Erich Honecker about the state of fulfillment of the decisions of the 27th CPSU Congress. He said that the strategy of speeding up the socioeconomic development of Soviet society and the measures taken to this end this year had already resulted in increasing the dynamic of national economic development of the country, particularly the agro-industrial complex.

Werner Felfe, member of the Politburo and secretary of the SED Central Committee, and Vyacheslav Kochemasov, CPSU Central Committee member and ambassador extraordinary and plenipotentiary of the USSR to the GDR, took part in the talk.

USSR Delegates Visit Institute

LD280037 East Berlin Voice of GDR Domestic Service in German 1300 GMT 27 Nov 86

[Text] A CPSU Central Committee delegation led by Viktor Nikonov today visited the Socialist Industrial Economy Institute of the GDR Academy of Agricultural Sciences at Boehlitz-Ehrenberg. The guests were briefed on the implementation of modern computer technology in the agricultural sector. In the afternoon, the deputation is to visit cooperative farmers in the Querfurt Kreis.

HONECKER SWEARS IN NEW COUNCIL OF STATE MEMBER

LD280527 East Berlin ADN International Service in German 1624 GMT 27 Nov 86

[Text] Berlin, 27 Nov (ADN) -- In accordance with Article 79, Paragraph 4 of the constitution, Erich Honecker, chairman of the GDR Council of State, today swore in Dr Engineer Hans-Joachim Lauck, the new member of the Council of Ministers elected by the People's Chamber. Erich Honecker congratulated him sincerely on his election, in the name of the GDR Council of State, and wished him much success in his position of responsibility.

Present at the ceremony were Willi Stoph, chairman of the Council of Ministers; Hienz Eichler, secretary of the Council of State; and Dr Kurt Kleinert, state secretary and director of the secretariat of the Council of Ministers.

BRIEFS

RADIO TECHNOLOGY FOR USSR -- The Berlin-Koepenick Radio Technology Enterprise will supply the Soviet state railways with a newly developed shortwave radio station that will be mass-produced as of 1987. The enterprise, with its 4,000 employees, has fulfilled this year's export commitments and produced industrial goods worth M2 million in excess of the plan. [Summary] [East Berlin Domestic Service in German 1200 GMT 25 Nov 86 DW]

JENA UNIVERSITY TECHNOLOGY CENTER -- The development of Jena into a high-technology center was discussed today at a meeting of the Friedrich-Schiller University Social Council. Cooperation of the university with combines and enterprises as well as various state and social institutions is of particular interest. Professor Willi Matthiess, director of organization at the Zeiss Combine, said that cooperation of science and production requires in particular the workers' creativeness. Jena University is expanding cooperation with production partners on the basis of more than 90 contracts with industry. [Text] [East Berlin Domestic Service in German 1600 GMT 24 Nov 86 DW]

CENTRAL COMMITTEE OFFICIALS ASSESS ECONOMY

LD211210 Budapest Television Service in Hungarian 2020 GMT 20 Nov 86

["News Background" program on Hungarian economic issues presented by Akos Mester with panelists Laszlo Ballai, head of the MSZMP Central Committee Economic Policy Department; Tamas Beck, member of the MSZMP Central Committee Economic Policy Committee and chairman of the Chamber of Commerce; and Frigyes Berecz, member of the MSZMP Central Committee and managing director of the Hungarian Telecommunication Enterprise, BHG; -- live or recorded]

[Text] [Mester] In my hands is the finished proof of NEPSZABADSAG which will appear tomorrow. On its first page is the communique of the Central Committee's session. Obviously, in today's broadcast of "News Background" we shall go over the economic topics which were discussed at the Central Committee session. Our guests in the studio are Laszlo Ballai, head of the Economic Policy Department of the Central Committee; Tamas Beck, member of the Economic Policy Committee of the Central Committee and chairman of the Chamber of Commerce; and Frigyes Berecz, member of the Central Committee and managing-director of BHG. I think that first perhaps we ought to discuss how the Central Committee evaluated the economic development of the past 2 years. How has the implementation of the Congress resolutions taken shape?

[Ballai] Alongside a [words indistinct] on results and problems, from among our results the Central Committee described as significant the development of the society's democracy, socialist democracy, the growth of self-government in social life, the development of the economic mechanism. The country has grown in these 2 years. Together with the population's investments, we have invested 500 billion forints. Some 150,000 dwellings have been built in 2 years; they have 20 percent more floorspace than previously built houses. The population purchased 200,000 cars, 300,000 television sets -- mainly color ones -- it saved 53 billion forints, and it purchased 7 billion forints from the new bond-form. Therefore, there has been growth in these years. The problem stems from our having increased consumption more than production. Again, our outlays, international obligations, investments, and personal consumption alike exceeded the growth of incomes.

[Mester] Now, concretely, the expected economic development in the past period -- that is, last year and this year, did not, in fact, take place. Is that no so? What we hoped for, what we would have liked -- we ought to go over the causes that played a part in this.

[Ballai] The problem is that in development we did not achieve, in scale, our goals set out in the plan. National income decreased last year; this year it is growing somewhat. Objectives causes and subjective causes, depending on us, play a role. No matter how repetitious it appears to be from among the objective causes, the external circumstances and the shaping of the international markets must be mentioned. Price losses again were considerable in the case of food, wheat, corn, heavy chemical industry products, and aluminum products. More could still be listed. We were able to sell them 35-50 percent more cheaply. For this reason, the country has had an annual revenue loss of some $400-500 million. That has further increased the country's debts.

[Mester] I just wanted to say, regarding the causes depending on us, is the issue at hand the weakness of our own work?

[Ballai] In the group of causes depending on us, the issues at hand are the weaknesses in our work -- in management work, organization work, and here and there in work discipline, there are overlaps and inconsistencies too. We must considerably improve this.

[Mester] In fact, there are problems in enterprise work. We can not be satisfied with the work of the enterprises, I believe, and perhaps one of the factors among these that cannot be disregarded is that the enterprises very often want to avail themselves of greater profits not with more efficient work, but with other things, for example: with price increases, or, let us say, they ask for state support. Well, these are old topics. Why are we not getting from A to B?

[Beck] I believe that there are many reasons that can be raised, and certainly enterprise work can be made to be more efficient, but I believe that it is more complicated and elaborate issue. The output of society is low. I believe that is one of the reasons. Enterprise output is included in that, and it can be attributed to very many things; there are management problems here, which hit the peak in the regulator system. There are problems in the degree of organization, which Comrade Ballai has already mentioned. In any case, during the debate, the Centra Committee dealt with these issues very profoundly and very thoroughly, and Comrade Havasi, in his verbal supplement to the written report, analyzed these issues.

[Mester] It has already been mentioned several times, as far as I remember -- in this program too -- and as far as I am informed, at the present session of the Central Committee, at very many places, they are forbearing in a characteristic manner vis-a-vis those who do not fulfill their obligations. Does not precisely what you just mentioned, the lack of organization, or, let us say, the lack of working conditions, very often play a part in this? These can very easily be used as an excuse: I do not finish the work, because, unfortunately, the work is badly organized -- it does not depend on me.

[Beck] Such things occur, and it also occurrs that we do not willingly undertake conflicts. So if a works engineer goes through the plant, then he can show two kinds of conduct. For every error he sees, he can speak to those concerned, but he also can go through and just say: How are you, or What's new? Now, in order for there really to be the required mentality and the required form of conduct, it (?is a problem) of direction, organization, enterprise management, or factory management.

[Mester] of the things you have listed, what would you as enterprise managing director emphasize?

[Beck] I find that both kinds of lack of organization have an equal (?effect) on the national economy, and unfortunately each strengthens the effect of the other. There is the lack of organization on the national economic scale and there is also that which exists within an enterprise. By lack of organization on the national economic scale I mean that every enterprise is dependent on the deliveries of a large number of other enterprises; it works jointly with several other enterprises, and these processes do not strengthen one another. Forces that would change the tractive forces into forces of thrust, such as those that function in a healthy economy, do not function in the national economy.

To a certain extent these ferment and bring to the fore the lack of organization that exists within an enterprise, and to a certain extent even conceal it. Within enterprises it is easy to say, nowadays, because of the lack of organization, that the reason we do not continuously work today is because there is not enough material. If organization at the national economy level were better, then the enterprises would have to turn inward much more and deal with their own organization.

[Mester] Now then, what is the situation with those enterprises that do not work effectively enough? I think that earlier, or perhaps I could say up until now even, there was a view which held that if an enterprise that does not work effectively closes down, let us say, then, well, it is not such a great loss; on the contrary, we might even say it is pure gain. At the same time, however, it would seem that now a different outlook is beginning to gain momentum, because we want to elaborate a program for the promotion of the work of enterprises of low effectiveness. Now, if that is so, then what has changed here? Has our point of view changed or has our concept?

[Berecz] I think our point of view has not changed because the economic policy very correctly places great stress on selective export-oriented development. However, while there exist about 100 government decisions and decrees for development, there are barely one or two for de-development [visszafejlesztes] and in fact I do not know whether there are any decree packages at all that apply to this.

[Mester] And what do you ascribe this to, if I may ask?

[Berecz] This is an entirely new problem is socialist economy, this de-development. And this represents a big problem in the whole world, because de-development is, first of all, costly. We only discovered this lately. We closed down two small ore mines, and the shutdown cost 400 million forints. These werre Rudabanya and Gyoengyoesoroszi, their recultivation, there (?shoring-up) and so on.

[Mester] What you say surprises me, but I wonder if it also surprised the experts at the time, that it cost such a lot of moeny.

[Berecz] I do not know if it surprised them; I imagine that the mine engineers were not surprised. But I suppose that the planners might have been surprised. Now then, with the de-development another series of problems came to the surface. If we stop something..It is true, is it not, that this to some extent vulgar slang has entered the economy, namely that we should not make what is not economical. Well, if we put this into effect, then with this we would bring about a shortage economy in our country that has never existed before. Because how can we replace those things we do not manufacture economically? Only from imports. It is not likely that they could be obtained in greater volume from capitalist sources. In the socialist respect, what is not economic for us is not economical for our friends, either. So then, to what should we compare uneconomical production? We have to compare it not to our own uneconomical production but to the efficiency of imports. And another series of issues of this type has emerged, which we are now facing. Even economic science owes us something in this regard, because it has not yet provided a manageable model or manageable methods for de-development.'

[Beck] I think there is a very simple, natural, and human reasons why there are so many directives to develop this or that enterprise, or this or that branch, and there are very few that come out in favor of de-development. It is a much more popular task to say to an enterprise community: you are working extremely well, you will get more money so that you can work even better. But for a long time this was not even a viewpoint in the building of our society, and one has to understand that supply had priority. Today efficiency is a more important subject and in recent years it came on the agenda that we should put a stop to the causes of economic losses in the national economy. We industrialists also find that the first few steps were not fortunate. In the beginning we tried to terminate the enterprises; now even the Central Committee, and the leadership of industry too, intend to endeavor to terminate not the loss-producing enterprises as a whole but the causes which lead to these losses. In the overwhelming majority of cases there is a need for those products that are made today by loss-making enterprises, or those which seem to be loss-making, according to present-day assessment and regulation.

[Mester] So, if I understand correctly, de-development has to be planned too. Is that right?

[Ballai] May I come in here? This year there have been significant decision for clamping down at the administrative level on activities that have low effectiveness, and are insufficiently economical. Let us think of the elimination of the insufficiently economical, insufficiently modern, productions of metallurgy, coal mining, overground construction, and the meat industry. And at the same time, let us think of the increase of the proportion of modern, economical products within these branches. Therefore, those activities must and can be eliminated first and foremost which are not sufficiently profitable, which do not achieve a sufficient revenue on their resources, and other activities must replace them. If this does not succeed, then their activity must be stopped. I agree with what Comrade Beck and Comrade Berecz said before me, that this is a complex matter, becuse there is a need for the products; otherwise, the necessary demand must be satisified in their place by imports.

[Mester] Now, if I understand this correctly, then the decisionmaking process also be a little more complex, more complicated, than it has previously been; because then the single guiding principle will not be that an enterprise functions effectively or functions uneconomically. Because it may well function uneconomically, but be we cannot permit ourselves to liquidate it. That is so, is it not? And then we will have to think up something else. So, what this also means is that we will have to differentiate between enterprises, too. But we have such age-old problems on the whole with this differentiation. Let us just think that for a long, long time we have been unable to differentiate even in incomes; though we have been saying for such a long time that we should. We do not differentiate the incomes on the basis of the performance offered. There are those who say that there is no real way to make big differentiations. How do you see this?

[Berecz] The present resolutin, decision, of the Central Committee confirms the consolidation of not only the need for differentiation but also of its practice. It guarantees better chances and possibilities for enterprises which work well, effectively, profitably, already within the framework of the next year's plan, with the methods of regulation, of taxation, credit, the system of competition; also it gurantees this for the enterprise collectives in development, technical developments, and in the increase of personal incomes.

[Mester] Up until now if one said that the way to differentiate really well would be if the wages could move not only upward but also downward, up until now it has always seemed like a joke. My suspicion is that in the future, this will not be a joke by any means.

[Berecz] In actual fact I think that it has also happened up until now that wages went downward, too, if we take the real wages. Since every enterprise where the nominal value of wage increases in a given year did not attain the average increase, then in fact the real wages went down. And as far as I know at least one third of industrial enterprises belong in this group.

[Mester] So can the wages go down, too?

[Berecz] The real wages can slide downward, in the (? cause of their economic management). The requirement for next year, in the interest of the better realization of the practice, is that, for example, loss-making enterprises, enterprises without working capital, can maintain the level of their wages fund of the present year, and can increase the remunerations of certain workers who provide a good performance through a reduction in numbers, the redeployment of workers. If there is no scope for achieving this, then the earnings, the wages, must also fall.

[Mester] The redeployment of the work force is an entirely clear action; it has been discussed so much that there is no need to go into details here. However, what is a reduction in numbers? Could it happen that an enterprise -- let's call a spade a spade, will send its workers into the streets?

[Berecz] In principle this is quite possible. In fact, it could happen in practice as well. Sending them out into the streets is not what these words imply, however. Everyone can get three other jobs at any time. We have to be able to move away from the position where we have to ensure everyone the right to an income. It is not the right to one's income that we are ensuring but the right to work.

[Mester] And not to a specific post.

[Berecz] And not to a specific post, that is quite clear.

[Mester] I imagine external trade was also discussed at the Central Committee session. Obviously this included the ways in which we want to change, improve, our cooperation with the CEMA countries.

[Berecz] Oh Yes, this was discussed. The brief communique that will appear tomorrow also contains information regarding this. What is involved is that during the past 1 and 1/2 years, high-level meetings aimed at the deepening and acceleration of the economic, scientific, and technological cooperation of the socialist countries have become more frequent. Most recently, this topic was discussed at the CEMA conference in Bucharest; it was also an important topic at the meeting of the general secretaries of the CEMA countries.

[Mester] Is there a need for a new concept for the coordination of the particular interests of the CEMA countries? Or is it the case that what is needed is not a new concept but a different system of cooperation?

[Berecz] I believe that the concepts have developed at the congresses of the leading parties of the socialist countries; the standpoints that were coordinated at the 1984 high-level economic conference contain a suitable concept; furthermore, at the conference held in December 1985 a complex program for technological and scientific cooperation until the year 2000 was approved. At the Bucharest session the first results were evaluated and further tasks were determined.

On the other hand, in order to accelerate development, it is necessary for us to be able to accelerate the system of instruments of the implementation, including the mechanism-like elements as well Let me mention that it is a cause for optimism that the head of the Soviet Government and the head of the Hungarian Government, Cormades Ryzhkov and Lazar, signed a framework agreement at the Bucharest CEMA session concerning direct links between the enterprises and cooperation between the enterprises in the area of a scientific-technological development, in order to accelerate it and to make this acceleration more dynamic.

[Mester] Now, regarding our trade with the capitalist countries, what can be expected for 1987?

[Berecz] Let me return to the earlier topic for just one more sentence. I think that the expansion of the scope for direct cooperation between the enterprises will greatly strengthen CEMA cooperation, will make it much more dynamic, because this will certainly act as a force for acceleration. You have asked me about capitalist trade. Well, I think that world trade has once again reached the maximum level that it attained in 1981. This was something in the region of $4 billion. However, the Hungarian economy does not automatically benefit from this. The Hungarian economy will only gain an additional benefit from this if we can make progress in the spheres of efficiency, quality, service, packaging, and all those things which we are constantly talking about. In other words, the fact that world trade is growing independently from us will not benefit us unless we adjust to it much better, more actively, and in terms of quality.

[Mester] This, however, requires certain conditions to be present.

[Berecz] There are many conditions for us to be able to adjust to the demands of the world market. I think that the overwhelming majority of these conditions relate to inside the enterprises. I regard technological development as the most important condition. However, technological development has its own preconditions: first of all, a sufficient number of suitable engineers; staff supporting these engineers, as well as technical planning systems aiding them; and very efficient financial incentives, which orientate the technological developments within the enterprise in the right direction.

[Mester] If you do not mind, though my function is mainly to ask questions, I would like to add here a higher level of work culture and work morals. I think without these it cannot be expected that the quality of our work will attain the level that will enable us to sell it in any market.

[Beck] Work culture is a consequence of technological development; after all, the level of work culture is largely determined by the means of technology, examination, and control, and these in turn are determined by technological development.

It is necessary for these that there should be resources at the disposal of the enterprise out of which the enterprise can build up both technological development and the connected investments, which create the conditions of the work culture.

[Ballai] We must be able to improve, to make our products more competitive with which we want to appear in the world market, which we want to sell in the capitalist markets. From next year onwards, we cannot allow our foreign trade to not improve. Unfortunately, this year an import surplus has developed; by the end of October, for example, our dollar-accounted exports increased by only 1.3 percent, while our imports increased by almost 17 percent. This also provides the basis for fulfilling the export requirements for next year. However, the regulating activity is endeavoring through various means to facilitate, and provide incentives for the achievement of a positive balance in our convertible trade as well. It is a requirement to achieve a significant change as compared to the current year.

[Mester] Technological development is a condition even in the sphere of imports. After all, the goal of technological development is not only to help us achieve successes in the sphere of exporting but also the substitution of imports.

[Beck] At the Central Committee session the minister of foreign trade said that 70 percent of the exports complaints derived from minor carelessness. I think this is absolutely correct. Getting rid of these is the task of the managers of the enterprises.

[Mester] I very much hope that all those who are now watching us and listening to us are very much aware that what we are now talking about is nothing but the future development of our living standard. Is that so? Well, the stabilization of the standard of living of 1985-1986 is the goal for 1987, going hand-in-hand with a modest improvement in the circumstances of life. But is it possible to improve the circumstances of life when the standard of living is not rising?

[Beck] Yes, it is possible and necessary. Let me first of all return to 1985-86. As I have said, once again we consumed more than we produced. This manifested itself in the standard of living as well, in consumption by the population, real incomes and real wages as well. Taking our capacity and realities into consideration, in 1987 all we can do is to preserve the consumption and real income that we have attained, with an improving, satisfactory choice of goods. After all, apart from one or two goods, the supply could not have been described as poor this year either. This must not only be preserved but modestly improved even further.

On the other hand, there is scope for modest improvements in several areas of the circumstances of work and life. The draft plan expects the completion of the construction of 55,000 personally owned dwellings, 6-7,000 state-owned apartments, which comes to over 60,000; that the receiving capacity of the health service will also expand, first and foremost by giving greater priority in the sphere of health provisions to prevention and the supply of instruments; schools will be expanded, and, just as we carried out the renovation of many cultural institutions last year and this year, this process will continue.

[Mester] In fact, you have begun to talk about what can be expected and I suspect that anyone in my place would ask what will happen regarding personal income tax and how will prices develop. Were these two topics discussed at the Central Committee session?

[Beck] Well, regarding prices, we must maintain the policy of imposing restrictions, both as regards the growth in producer prices and in consumer prices. The practice of creating or to a large extent creating the equilibrium between purchasing power and the stock of goods available through price increases cannot be pursued further because this is something that extends to everyone, detrimentally affecting those who gain their incomes through good performance, as well as those who have no way of counterbalancing higher prices by extra income, or who cannot make up the shortfalls resulting from the price increases by changing the structure of their consumption.

[Mester] And what about personal income tax?

[Beck] As regards the income tax, preparatory work is on the way, rather intensively; it is being coordinated with the taxation of enterprises, though the two are not closely related. With the preparation of the taxation of personal incomes, our goal is that the incomes gained during the working hours proper should not be harmed and that it should not have a detrimental effect on economic performance in any area.

[Mester] Well, since we are talking about the activities in the working hours proper, it is my impression that public opinion is concerned about the possibility that the central concept might change as regards supplementary, subsidiary activities. Is this concern justified?

[Beck] I think that it is more a matter of ensuring that in the secondary economy, that is, in the sphere of the economic small collectives and the enterprise economic small collectives, the remunerations should be in line with performance. There has been a certain slip in this sphere: What we were hoping for was that the first economy would acquire the performance of the second economy. However, it seems that this might be happening the other way around. There are many examples of this. Consequently, the government motivates the possibilities in the second economy which are proportionate with performance; there is no question of doing away with this, what is involved is that the conditions will be made stricter to some extent.

It is not decided as yet, however, how to do this. Thus, it has not yet been decided whether income tax should be raised in the sphere of the enterprise economic small collectives or whether in 1987 there will be a certain freezing as compared to 1986. There is a third alternative: If an enterprise increases or keeps its performance level, while reducing the sums paid to the enterprise small collectives, it could receive tax concessions. There are the three alternatives under consideration; there is no final decision yet.

[Berecz] I think that public opinion has two faces regarding this question. The part of it that is interested in the continued existence of the second economy, that is, those who derive an income from it, are concerned that restrictions might be placed on it, while another side of public opinion, and in my experience the larger part, is irritated by the large incomes achieved in this sphere. I think that this is where we have to create order. We have to continue to help, to provide the conditions for the operation of everything that is healthy in the second economy, everything that provides new values, services, that helps the work of the enterprises; it must be ensured that these become part of the processes of the economy to the fullest extent -- but our society must take action against incomes gained through sharp practices.

[Ballai] Permit me to say something in connection with this topic. Stricter requirements must be made as regards the incomes at enterprises and cooperatives, also in terms of the main jobs; incomes must be more proportional with performance. This is needed also in the case of the enterprise economic small collectives, as well as in the private sector, companies, small enterprises: thers is a need for every activity which is useful to the economy and society, this has been reaffirmed in the present resolution of the Central Committee, but the adjustment between the sectors must take place.

[Mester] And when will the long-term issues of economic development be discussed by the Central Committee?

[Ballai] The present resolution of the Central Committee was brought in in unity within the framework of a thorough debate and following thorough preparations. It can represent a significant step towards the implementation of the economic policy program determined at the 13th congress and of the targets embodied in the Seventh 5-Year Plan. Naturally, it is probable that this work will get under way and will succeed if the same unity is manifested in the party, in the economic organizations and among the workers. However, the Central Committee has decided that around the middle of next year it will return to working out long-term tasks, those that will determine this 5-year period even more precisely. At the same time it will verify the implementation of the present resolution.

[Mester] Thank you very much.

USSR'S SILAYEV ARRIVES FOR NUCLEAR POWER TALKS

LD280509 Budapest MTI in English 1945 GMT 27 Nov 86

[Text] Budapest, November 27 (MTI) -- Invited by Laszlo Marothy, vice-chairman of the Hungarian Council of Ministers, Ivan Silayev, vice-chairman of the Soviet Council of Ministers, arrived in Hungary Thursday.

In the course of talks the parties agreed on the establishment of a new, modern process of control and safety systems for nuclear power stations. Joint research-development working groups will be set up, and some 20 Hungarian institutes and enterprises are to take part in the cooperation programme. The parties also discussed the development possibilities of new technologies and programmable production systems. In that framework an opportunity for setting up a joint venture to develop electronic equipment will be provided. Talks also included the delivery of Hungarian machine tool producing equipment for the Soviet car industry.

PRC CULTURAL COOPERATION AGREEMENT ANNOUNCED

LD271923 Warsaw PAP in English 1227 GMT 27 Nov 86

[Text] Warsaw, Nov. 27 -- Poland and China signed a detailed programme of cultural cooperation for 1987-1988, based on the respective agreement signed during Wojciech Jaruzelski's visit to China, First Deputy Minister of Culture and Art Waclaw Janas told PAP.

The cooperation will cover literature, publishing activities, fine arts, music, ballet, artistic education, creative unions, filmmaking and other fields of culture, as well as direct contacts between the ministries concerned.

Janas specifically referred to next year's Polish tour by the student symphony orchestra of China's central musical conservatory, to be reciprocated by concerts in Beijing and Shanghai by this country's national philharmonic ensemble a year later.

He also quoted exhibitions of Chinese paintings and Polish posters scheduled for next year, exchange in the next two years of delegations and study groups representing ballet, theatre, publishing houses, writers, realization of documentaries in each of the two countries by the other country's filmmakers next year, and week-long shows of Polish and Chinese films in 1987 and 1988, respectively.

The program does not rule out other forms of cooperation, nor does it restrict bilateral contacts to respective provisions, Janas said, quoting as an example the willingness of the Chinese side to take account of the Polish proposal to increase the annual number of artistic grants from 20 to 35.

In another development, the Polish and Chinese Academies of Sciences signed a cooperation agreement providing for exchange of researchers with an eye to joint studies, consultations and upgrading qualifications, among other goals. The two bodies will also be exchanging information and scientific documentation.

The agreement, signed for an unlimited duration, can be renounced after every five years of its being in force and will be implemented in tune with two-year plans for scientific cooperation, the first one starting as of next year.

OPZZ CONGRESS OPENS IN WARSAW 27 NOVEMBER

Miodowicz Reads Report

LD271224 Warsaw PAP in English 0934 GMT 27 Nov 86

[Text] Warsaw, Nov. 27 -- The congress of Polish Reborn Trade Unions started here today in tune with a resolution adopted yesterday by the 2nd assembly of the OPZZ All-Poland Alliance of Trade Unions which transformed the assembly into the congress.

The meeting was inaugurated with a programmatic report of the OPZZ Council.

The congress started at 9.00 hrs. Trade unionists gave a cordial welcome to members of Poland's top authorities, including Wojciech Jaruzelski, Zbigniew Messner, Roman Malinowski, Tadeusz W. Mlynczak, and Jan Dobraczynski.

OPZZ Chairman Alfred Miodowicz greeted guests to the congress, including more than forty foreign delegations.

Alfred Miodowicz, who read the programmatic report, said that after a little more than four years since the passing of the trade union law trade unionists could be proud with the outcome of their work and that the movement was integrated in political and programmatic terms.

"What we are going to start after the present congress will be a continuation of yesterday and today. The Polish trade union movement will be changing, although it will remain the same, as the same will be the principles determining its identity," he said.

Among the fundamental goals of the movement he pointed to ensuring social security for all working people and their families and to creating development conditions for every employee. "Trade unions exist to struggle for practical implementation of the basic principle of socialist justice: The more you give to society, the more you should get," said Miodowicz.

Continuing his programmatic speech, Alfred Miodowicz said that the unions are firmly in favour of the independence and self-management of enterprises.

Miodowicz argued against the charge that the trade unions assumed a too-demanding attitude and said "our basic demands include a better economy, a better organized and better managed one. We understand the economic realities of our country but we cannot accept that the worker must pay for the crisis, while profiteers make fortunes at his cost, and that employees must pay for the indolence of their employer.

"A new social agreement is necessary. A basis for it is provided by the law on collective contracts which envisages the signing of factory agreements. A general social agreement, as would be signed by the government and the OPZZ (All-Poland Alliance of Trade Unions) could push forward many important social-economic issues," he said.

Miodowicz also said that many questions raised in Bytom have been solved only in part. Bureaucracy and incompetence were the major obstacle.

Jaruzelski Addresses Congress

LD271621 Warsaw Domestic Service in Polish 1146 GMT 27 Nov 86

[Speech by Wojciech Jaruzelski, first secretary of the PZPR Central Committee and chairman of the Council of State, to the OPZZ Congress in the congress hall of the Palace of Culture and Science in Warsaw -- live]

[Text] Today, Poland is looking at this hall, as are our friends and enemies home and abroad. [paragraph continues]

For some this is a cause for satisfaction, for others a proof of painful defeat, but everybody sees and hears that the independent and self-governing trade union movement has been a many-million reality, the largest class organization of our country's working people, one of the strong pillars of the PPR. On this day, so important for us all, in the name of the party Central Committee and of the supreme state authorities I cordially greet the delegates to the congress, and I wish you, dear comrades and citizens, fruitful debates. [applause]

I greet all Polish trade unionists, wishing them successes in living and working for the good of the country and the nation. With particular respect I address the pioneers of the reborn trade union movement, those who have bravely and far-sightedly undertaken the toil of its reconstruction. It has been emerging in the struggle, and this is why it constitutes a valuable plane of accord and cooperation of people, who make their living with their own work, who come from various trade union backgrounds, and who have different outlooks on life. It has emerged not from the unity written in advance, but from different voices with a common denominator, and from the conviction that independent and self-governing trade unions are of great importance for the working class and the working people, that faithful to the slogan -- socialism-yes, distortions-no -- they are one of the most reliable advocates and guarantors of socialist renewal, that they are a great army of people of everyday toil, producers and managers of the national well-being, the principle force of the socialist state, that they are a Polish branch of the international working world, the trade union movement, and the forces of progress and peace.

In a dozen or so days the fifth anniversary of the introduction of martial law will fall. This dramatic moment is deeply rooted in our common memory. Then, the fate of Poland was in the balance. In the past years we have trodden a thorny path. The attack against the socialist state continued on the internal and external fronts. There were attempts to make us surrender by famine and by cold, by restrictions and a boycott to force us to go down on our knees. When the fever dropped, new methods were used. There was always enough of foreign currency, airwaves, generous rewards, and grotesque laurels.

We have survived, we have not given in to pressure. We have made our real contribution to stabilization, and to the consolidation of peace in Europe and the world. Our sovereign Polish voice carries authority again. It resounds responsibly and credibly. It is heard with attention on all continents. This is the right moment for expressing the deepest respect to all people of honest work, who have given a clear proof that when the homeland is in need we are able to pass over existing conflicts and divisions and that no one can count on a battle against socialism to the last Pole in our country. [applause]

We thank the Polish working class, peasants, technical intelligentsia, and the creators of science and culture for this. I thank you, that you have trusted a Polish soldier, that you have appreciated our party's intentions and its credibility in the implementation of the socialist renewal, its will to perform a leading role in the authentic ties with the masses, with the feeling of servitude toward the working class, the working people and the nation. We have merged from a deep breakdown and a move forward has begun. There have been many changes for the better during these years in Poland: We have achieved a lot, even a great deal for society, while at the same time being subjected to so many hard tests.

But this is not enough when confronting the present state of affairs with public expectations, needs, and hopes, particularly in the economic and material sphere. The scale of the progress achieved and most of all its effects on society, is not enough. Statistics dealing with material conditions of society tell a general truth, but particular truths are more complex. National averages tell a lot, but they do not explain everything. They carry a less different picture of life than its segment which a citizen is facing.

We are aware of the continuing inflation in Poland and we are aware that shortages occur and that even ordinary poverty occurs too. The fact that a part of society lives in difficult conditions is a moral burden of our workers' party which considers the human good and the good of the working people as its supreme goal. In this situation it is the special duty of the current working generation to provide conditions for development for the numbers of children and young people, which are growing at a record pace, and at the same time to provide for a decent existence for pensioners and the veterans of combat and work.

A question arises: Why do we acutely notice these difficulties and delays more and more? Simply because the background against which we are making our social observations has changed. There is a different thinking about the economy when there is only vinegar available from the shops, to when goods are available and the supply is gradually improving. One thinks differently when one hears: censored telephone conversations [recording played on the telephone during martial law] on the telephone, to when in the mass media, and at various public occasions, debates flourish on the hitherto unthinkable range and degree of controversy. For years now I have been stating in public that there will not be, and there cannot be, a lightning-fast victory in the economy. This is caused by the burden of various historical backlogs and by results of economic errors and the tempestuous nature of past events.

These are the difficulties which should be recognized and understood by everyone, irrespective of what they think. It used to be that we spent most of our credit on food and we lived above our means. Today one cannot eat more than possible, but one can oversleep the chance of acceleration if one tolerates various nonsenses, wastefulness, poor organization and poor discipline at work. This kind of internal debt which we have incurred against ourselves can be repaid by us without asking for an extension of credit terms. After all, nobody will do it for us, we can only do it for ourselves by joint, well organized and conscientious effort.

The point is to walk on solid ground, to beware of self-satisfaction, to count on one's own strength, to refuse to be pushed to positions of resignation and catastrophe. I often quote my military recollections and metaphors. On the war front, various dangerous situations frequently occur. I personally saw many times that people behave in two ways: some panic, make nervous, thoughtless moves, complain of ill fate, and call on supernatural forces for help, while the others take hold of themselves, think coldly and logically, and look for a rational way out -- this usually consists of some activity and attack. Only such people can win. This is the very kind of people that Poland needs most of all, and Poland has more and more of them.

In many work enterprises and in local communities, more and more useful initiatives are being taken up. Many managements, party organizations, trade union organizations, and workers councils are guided by the principle of efficiency, are implementing scientific and technological progress, and are undertaking thoughful and energetic actions. This is proof that the existing possibilities can be used in a bolder and more effective manner. The economic laws work ruthlessly. Whoever refuses to acknowledge them today will have to do it tomorrow, but at double the price. Once upon a time, at the dawn of economic reform, people thought that its mechanisms would be some kind of a self-propelled mechanism and that would quickly bring miraculous effects.

However, there was a collision with a great many barriers, the restrictions for one thing, whose extent no one could calculate. There was no lack of subjective factors either, for every mechanism is created and serviced by human beings. One person does it well and conscientiously and there are visible results from this; another does it badly, taking the path of least resistance, which yields a partial result or else one which is the opposite of what was intended. That is just how it is with the reform. We are currently talking about its second stage. One should not count on it being automatic either; however, one should count on the effectiveness of the undertakings entered upon, on strict economic rules, on the consistent implementation of the assumptions indicated by the 10th congress.

Forgive me, esteemed comrade delegates, if I do not go into economic problems at greater length, problems which are indeed decisive for the future of our state, for working people, for the nation: It is, however, impossible in a relatively short speech of welcome. The speech by Comrade Zbigniew Messner, chairman of the Council of Ministers, will be more specific in this regard; but we are counting above all on the Third Plenum of the PZPR Central Committee. It is there that we intend to look at economic tasks in an aggressive way, taking into account the prospects for socialist integration, for which the recent Moscow summit has been an important impetus. We in particular intend to define the directions and methods of the second stage of the reform; to propose the social form of discussion and consultations on it. We will utilize the fruit of your congress to the maximum degree here.

I therefore appeal for suggestions and proposals, but above all for trade union involvement, a valuable announcement of which we have found in the program report delivered today. There are a lot of problems and a lot of questions on what is needed and what should be done. The number of answers, how to do it, and with what, are considerably smaller. The solutions, however, must be found. It is absolutely possible if we utilize the existing vast reserves. It can be better in Poland; it has to be better.

Esteemed delegates, the existence of the self-governing and independent trade unions is not a temporary and passing matter. This is a permanent doctrinal solution arising from the deepest essence of socialism as understood by Lenin. Our own experiences also make the case for it. We know from the past the disastrous effects of both limiting union rights, having them under command, and depriving them of their own say, and on the other hand, of making them an antisocialist machine leading to anarchy, paralysis of the economy, and the dismantling of the state organism. We have become convinced that deformations in the trade union movement unavoidably contribute to the weakening of the country's whole socioeconomic structure. Thus, the strong socialist trade unions, the greatest class organization of working people, is the indispensable stabilizer of the people's state. [applause]

Clear identity and wide powers for the trade union movement is an inviolable element of the line adopted at the ninth and confirmed and developed at our party's tenth congress.

It is synchronous with the reconstruction initiated by the CPSU, at its 27th congress; with the searches being undertaken by other socialist countries. It is an expression of the dialectic unity of the general principles of the construction of socialism and our Polish conditions and experiences.

The permanence of the strong standing of the unions is built today not on a word of honor, not only on our subjective will. The innovatory statutory regulations are their powerful foundation, as are the principles unambiguously set out in the long-term PZPR program.

Comrade Zdzislaw (?Cywik) helped me out by recalling the declaration I made in the Sejm in January 1982. Indeed, at that time we were already profoundly convinced that the trade union movement could not and would not be either an extension of the administration or an antisocialist political grouping; that the socialist authorities needed a real partner, who would tell the truth to one's face; who would criticize, even protest, but who would take upon oneself the weight of responsibility, too. That is just how it is. Two exceptionally important characteristics of the trade union movement have already taken shape today: authentic characteristics, because it determinedly, boldly, and in a principled manner defends and represents worker and employee interests. It is also mature because it has a sense of responsiblity to the state and to socialism.

The trade unions also represent a wide social movement, an inalienable link within socialist democracy. Their voice is loudly heard. It must play a significant part in all matters and decisions of importance for the working class and the working people. No one can replace the unions in the organic, daily work. In this area, trade union organizations should vigorously solve the various social, cultural, and training problems and there are more than enough of them. I come face to face with them personally in workplaces, which are still the scene of so many irritating instances of neglect, affecting health and safety at work, canteens and cloakrooms, clubs and reading rooms. After all, it is precisely in this area, and in a most direct way, that the culture of relations between people is reflected, that the attitude toward man's requirements is mirrored.

It is a duty of party organizations at all levels, state and economic bodies to listen attentively to what the unions have to say and to regard it with all due seriousness and consideration. It is with this thought in mind that I harp back to our meetings in the Baildon Steelworks and the Nowotoko Works; to last year's OPZZ Council meeting: to numerous forms of direct contact among members of party and government leadership on the one hand and trade unionists on the other; to Comrade Alfred Miodowicz's participation in the work of the Politburo -- he sets out the union viewpoint openly and authoritatively.

Today the party has a much deeper understanding of its role toward the union movement. It is the ideological and political inspiration issuing forth from the central committee and party organizations at all levels. It is, above all, the day-to-day attitude of the PZPR members active within the trade union ranks. The question of whether they are good workers, good trade unionists, and active within society is of crucial significance here.

We attach great importance to the simple, popular knowledge of living conditions. We know the cost of living and we know how dreadfully long one has to wait for an apartment -- as has already been pointed out so clearly from this rostrum today -- and how much time is taken up by lines and various difficulties in everyday life. We are aware that the working people are worried about the gap between those who simply care about social security and those who are aggressively striving for a social maximum at the cost of the rest.

I wish to emphasize with my full strength: It is the essential class duty of the party to care about the social justice and realization of a principle: from each according to his abilities, to each according to his work; to observe the social and moral norms of socialism. These are also the fundamental precepts of the trade union movement. We know how much there is still to be done, how many just causes are lost: each such lost cause is the party's lost cause, our joint lost cause.

We hope that our congress, in accordance with the line of the 10th congress, contributes to the struggle against everything which slows down inventiveness and progress, injures the feeling of justice and rule of law, and delays the realization of the material and humanistic goals of socialism. Today, when the major issues of the trade union model and statute have been resolved, it is most important frequently to test these original solutions in practice. Their correctness should be testified to by the effectiveness of trade union activity on the scale of the whole country, the life of society, and the economy as a whole. This should, above all, occur at work enterprises. Good examples are in the majority. But there are also signals -- including the assessments in today's report -- which indicate that the new mechanism here and there is still creaking and sometimes the sparks do fly. There is no shortage of mutual accusations: some claim that management is inefficient, others that work is done badly. It is necessary both to manage and to work well, always starting with oneself. Of course, most depends on the top. The attitude of the party and its leadership is, as I stressed once again at the 10th congress, clear: the higher the level, the more important the function, the greater the responsibility.

Arrogance, conceit, lack of respect for other people, regardless of who shows it, is a dangerous and nasty social diasease. Apart from everything else, it also signifies a lack of personal and political good manners. In a modern socialist state, it disqualifies anyone who has been entrusted with managing other people or representing them. We will not forget this in the cadre policy of the party, of the government and, I think, of the trade unions as well.

The party, the people's authority, must be sensitive to what people notice, what they think, what they want, and to what they will not agree. Today, our knowledge of this matter is considerably more profound than ever before. The whole, broad system of consultation, of discussion, of public opinion pools, is the great achievement of recent years; but it is still necessary to learn it and to improve it. There are still slip-ups of a bull-in-a-china-shop type; let me recall the circumstances of the return in the autumn of 1983 to the rationing of fats and, recently, the unfortunately programmed change in some statutory regulations. I would like to strongly stress here yet again the permanence of the stance of the party and state authorities on the standing of self-governments, their inviolable -- and what is more -- developmental role in the process of the functioning of the economy, in the system of socialist democracy.

One's justified arguments must be defended, but one's own infallibility must not. It is hard to dany that one can encounter signs of arrogance in more than one cell in the broadly-conceived administration; but neither dan one say with a clear conscience that it does not exist among trade unionists at all.

Bureaucratic deformations and excessive administration are criticized at union meetings. We can see these distortions very clearly and precisely. Present civilization, and life, with all its enormous complications, call for a variety of services. It is important that services function well and efficiently. Bureaucracy is not a synonym but a caricature of administration. Most of its links work well and effectively, and these features are proven true in the everyday experiences of citizens. The right time as well as the right conditions have come, however, to start effectively eliminating bureaucracy. Increased union help would be very desirable. I suggest that a representative or your movement's leadership should be apointed deputy chairman of the Central Commission for reviewing structures [Centralna Komisja do Spraw Przegladu Struktur]. I declare that a green light should be given to him incuding access to the Central Committee first secretary, hoping that he will provide specific and well-founded conclusions as to what and where should be improved, changed, and reduced at various levels. We are also expecting better adherence to principles in the course of job reviews at enterprises. None has a monopoly over bureaucracy. It can proliferate not only in an office but also in a party committee, in the structure of social and youth organizations, in cooperatives, as well as in links of the union movement. One should take care that aloofness does not appear; an ailment which affected many unions in the past, including those who shouted most loudly about prominent celebrities.

The fact that the roles are naturally different results in different opinions of unions and administration bodies. They surface in discussions, and sometimes take the shape of heated arguments. I would be surprised if they did not exist, for this would mean that problems which have not been revealed on time are again latently gathering.

The reality of the transition period in our country is full of discrepancies. Despite conflicts, there exists a fine net of various interests of strata and circles, regions and professions, professions and works, and simply human interests. The interests often clash with each other. One has to learn to live with variations and with the whole range of inconsistencies, but to live wisely means to discover them, examine them, and make them objective, to find just and rational solutions, but most of all to attempt to popularize what serves the far-reaching interests of working class, working people, and the nation in consolidating the strenth and the authority of the socialist state.

It is our great achievement that we have learned to consider different opinions as a normal phenomenon, inseparably linked to development. This is a new, higher quality of social life, socialist democracy. One can lead a horse to water but not make him drink. One has to look for other ways to reach the minds. The most efficient are openness, objectivity, and truth. With the exception of those who resist any rational arguments, those who have been programmed negatively in advance, every good citizen who thinks and cares for Poland's will sooner or later take his place on our side. The rest will be left out. Such are the unwritten rules of history, many times confirmed.

An old principle of the workers movement dictates to beware of those who called for disturbance and disruption of their own ranks. Existing forms of trade union work secure both variety and concentration of efforts. There cannot be and there will not be a repeat of political adventurism under the union sign. [applause]

Esteemed delegates, esteemed guests of the congress, the realization of the wishes of all the working world, both in our Polish and in all humanity, is possible only in peace.

International solidarity and unity of action in this fundamental issue is, therefore, of special importance. It is both essential and realistic to take mankind out of the shadow cast by the atomic mushroom. The path toward this goal is signposted by the USSR's proposals, by the proposals of the socialist community states. The support of this peace offensive by the unanimous voice of the working masses of all countries and nations is a great chance to build a peaceful future.

The struggle for disarmament, for a world rid of the nuclear and space arms used [as heard] by imperialism, is a kind of dividing line, presently separating progress and backwardness in each social class and group, in each trade union organization and headquarters.

I now cordially address the congress' foreign guests. Your presence here proves that the Polish solutions enjoy sympathy and interests; that the reborn trade union movement is gaining credibility and growing recognition among class friends in Europe and the world at large. Comrades in the struggle for workers' rights, for social progress, for lasting peace, accept ardent greetings from the party and authorities of our state, from all Polish society. [applause]

Esteemed comrades, citizen delegates, dear friends, our realities today are, on the one hand, difficulties and irritants, barriers and dangers, complexes and doubts, and on the other hand, the still enormous material reserves and, above all, the large capital of social energy and activeness, knowledge and qualifications, of all that is best in people. To use these trump cards to the best benefit for Poland, this can and should be done through the nationwide will for action, improvement, acceleration.

The joining of efforts and aspirations of the working people, party members, and those who do not belong to any party alike those who are federated and those who are not, the widest possible contract among all people of goodwill and patriotism. This is the fundamental condition and an unfailing guarantee a better tomorrow for our country.

The development and the achievements, the active presence of the reborn trade union movement in all matters important to the nation allow me to express the conviction that the movement will perform its highly important and responsible role effectively and with dignity. With this thought in mind, please accept best, warm wishes for the success of your congress deliberations, success in the steady implementation of the accepted decisions, health, and all personal success.

Long live the Polish trade unionists. May socialism strengthen. May our fatherland, the PPR flourish! [applause]

Jaruzelski Meets Foreign Delegates

LD272306 Warsaw PAP in English 1745 GMT 27 Nov 86

[Text] Warsaw, Nov. 27 -- During a break in the first day of debates of the Congress of the Polish Reborn Trade Unions, PUWP CC First Secretary, President of the Council of State Wojciech Jaruzelski met with heads of foreign trade union delegations participating in the congress. The meeting, which had the character of a friendly talk, was chaired by OPZZ Chairman Alfred Miodowicz.

Addressing representatives of trade union organizations and federations from various cuntries, Wojciech Jaruzelski strssed the special significance of their participation response. Although individual trade union organizations are geographically distant all of them are brought closer together by class uniformity of goals and tasks connected with their service to working people.

PUWP CC first secretary expressed particularly cordial thanks to trade union organizations from countries of the socialist community, which had extended help and support in moments most difficult for Poland. He asked at the same time to convey greetings to trade unionists from all countries for their friendly attitude, understanding, and support in the issues and problems socialist Poland faced.

The meeting was addressed by WFTU President Sandor Gaspar who congratulated the reborn trade unions in our country on their sucesses in consolidating trade union movement, which is firmly expressed also by the current congress. He conveyed cordial greetings of further achievements to the reborn trade union movement.

The meeting also provided an opportunity to hold direct talks and express opinions with its participants, including Jozef Baryla, Jozef Czyrek, and Marian Wozniak.

Consolidation Announced

LD262324 Warsaw Domestic Service in Polish 2200 GMT 26 Nov 86

[Text] Today's union debates ended at 2200. The assembly approved the composition of a Presidium, elected problem commissions, mandatory commissions, a commission for resolutions and motions, statutory commission, election commission, and scrutinizing commission. Twenty-five speakers rose to speak. The delegates voted to accept accounts to the OPZZ Council and to the OPZZ Executive Committee. A decision on transforming the Second National Trade Union Accord Assembly into the congress of the reborn trade unions, was received with applause. Here is the text of the resolution:

We, the delegates representing Polish trade unionists, and elected for the second OPZZ assembly in democratic elections by trade union organizations state that we have fulfilled the will of the first trade unionists assembly in Bytom. We have been defending working people's interests. We have consolidated the role and expanded rights of factory level trade union organizations. We have assembled all national organization in the OPZZ. We have further consolidated our movement. We are therefore convinced of unshaking reasons for our stand, and we decide to transform the second assembly into the Congress of the Polish Reborn Trade Union.

The congress deliberations resume tomorrow at 0900.

Resolution Adopted

LD272247 Warsaw PAP in English 2101 GMT 27 Nov 86

[Text] Warsaw, Nov. 27 -- The Congress of Polish Reborn Trade Unions today adopted a resolution of international affairs.

The document expresses concern over socio-economic effects of arms race which threat basic interests of the world of labour. The OPZZ decidedly comes out for the unity of activities of the entire international worker movement in the struggle for peace.

In their resolution, the Polish unionists support peace initiatives of the Soviet Union and efforts of the community of the socialist countries in this respect. They condemn the policy of confrontation and the concept of Star Wars.

The OPZZ Congress expressed its solidarity with the struggle of working masses and unionists on all the continents, conducted in defense of essential interests of working people.

The adoption of the resolution ended today's debates.

BRIEFS

NEW UNDERSECRETARY OF STATE -- The chairman of the Council of Ministers has appointed Henryk Wojtal undersecretary of state in the Ministry of Light and Chemical Industry. [Summary] [Warsaw TRYBUNA LUDU in Polish 11 Nov 86 p 2 AU]

NEW RZECZPOSPOLITA EDITOR -- The chairman of the Council of Ministers has appointed Janusz Durmala new editor-in-chief of RZECZPOSPOLITA, to take the place of Jozef Barecki, who has become director of the PZPR Central Commitee Propaganda Department. During a meeting at the office of the Council of Ministers, Premier Zbigniew Messner thanked J. Barecki for his work as RZECZPOSPOLITA editor for 5 years and wished J. Durmala success in his new post. [Text] [Warsaw RZECZPOSPOLITA in Polish 7 Nov 86 p 1 AU]

GDR TRADE AGREEMENT -- Andrzek Malinowski, PPR first deputy minister of domestic trade and services, has signed an agreement in Berlin concerning an exchange of market commodities between the PPR and GDR in 1987. The agreement calls for, among other things, deliveries to Poland of washing machines, footwear, fabrics, household equipment, furniture, and sports equipment. The maximum value of currency-free goods exchange between PPR and GDR border areas is also to be increased by 50 percent. An agreement on scientific-technological cooperation in 1987 was also concluded. It will involve, in particular, trade organization and service to consumers. [Text] [Warsaw TRYBUNA LUDU in Polish 17 Nov 86 p 6 AU]

CEAUSESCU MEETS USSR SUPREME SOVIET DELEGATION

AU271947 Bucharest AGERPRES in English 1906 GMT 27 Nov 86

[Text] Bucharest AGERPRES 27/11/1986 -- On Thursday, the RCP general secretary and Romania's president, Nicolae Ceausescu, received a delegation of the Supreme Soviet of the Union of Soviet Socialist Republics, led by I.V. Kapitonov, deputy to the Supreme Soviet, chairman of the Central Auditing Commission of the CPSU, now visiting Romania upon the invitation of the Grand National Assembly.

The head of the delegation conveyed President Nicolae Ceausescu and the RCP leadership a warm salute and the best wishes from the general secretary of the CC of the CPSU, Mikhail Gorbachev, and from other members of the CPSU leadership. The guest also thanked for the interview and for the opportunity to visit Romania and get to know the Romanian people's achievements in socialist constructions.

Thanking him, President Nicolae Ceausescu conveyed, on his behalf, and on behalf of the party leadership, a new warm salute as well as the best wishes to Mikhail Gorbachev and to the other members of the CPSU leadership.

During the interview, stress was laid on the ties of friendship and manysided collaboration between the two parties, countries and peoples, on the decisive role the understandings made at top level have played in the expansion and diversification of those ties. It was stressed that the long-term agreements and programmes concluded between Romania and the Soviet Union provided an appropriate framework for the increase of commercial exchanges, the expansion of cooperation in and specialization of production and of technical-scientific cooperation on mutually advantageous bases. It was also stressed that conditions existed for a still more powerful development of Romanian-Soviet collaboration in all fields of activity, in the interests and for the benefit of the Romanian and Soviet peoples, of the general cause of socialism and peace throughout the world.

Approaching world issues, President Nicolae Ceausescu showed that in the current highly serious and complex international situation everything possible should be done for the halting of the arms race and a passage to concrete actions for disarmament, to measures conducive to freeing mankind of the danger of a devastating nuclear war, for the firm promotion of a policy of detente and security, of understanding, collaboration and peace in the world. Nicolae Ceausescu pointed out that falling within the context was also Romania's recent initiative approved by the whole nation at the November 23 referendum regarding a five-per-cent cut, already this year, of arms, troops and military spending, an expression of Romania's firm will to concretely contribute to achieving disarmament, and ensuring peace on our planet.

During the talk, stress was laid on the outstanding contribution parliaments and parliamentarians in the two countries made and can make to expanding links of friendship and collaboration between Romania and the USSR, to solving the major problems facing mankind.

The interview was attended by Nicolae Giosan, chairman of the Grand National Assembly of Romania.

Soviet Delegates Tour Counties

AU261551 Bucharest AGERPRES in English 1523 GMT 26 Nov 86

[Text] Bucharest AGERPRES, 26/11/1986 -- The delegation of the Supreme Soviet of the USSR, now visiting Romania, led by I.V. Kapitonov, deputy to the Supreme Soviet, chairman of the Central Auditing Commission of the CPSU, made a trip to the counties of Prahova and Brasov (central Romania), where they had interviews with representatives of the party and state bodies in the two counties and saw economic, socio-cultural and tourist units.

A Romanian-Soviet friendship meeting was arranged at the lorry manufacturing enterprise of Brasov, when Valeriu Dianescu, the enterprise's general manager, Haralambie Simion, foreman, Dumitru Calancea, first secretary of the party city committee, chairman of the Brasov City People's Council, and I.V. Kapitonov, head of the Soviet delegation, took the floor. Pointing to the traditional ties of friendship between the Romanian people and the Soviet peoples, the speakers laid stress on the successes the working people of the two countries score in implementing the resolutions of the Thirteenth Congress of the RCP and the Twenty-Seventh Congress of the CPSU in building socialism and communism. The joint wish was also expressed to deepen and diversify the many sided Romanian-Soviet collaboration, on mutually profitable bases, in the interest of the two countries, of the cause of socialism and peace.

Highlighting the militant solidarity, the productive cooperation between the Romanian Communist Party and the Communist Party of the Soviet Union, between the Romanian and Soviet Government, parliaments, mass and public organizations, the speakers underscored the decisive contribution the talks and understandings covenanted during the meetings between the RCP general secretary and Romania's president, Nicolae Ceausescu, and the general secretary of the CC of the CPSU, Mikhail Gorbachev, made the strengthening and expanding the collaboration between the two countries and peoples.

CEAUSESCU SPEAKS AT DINNER FOR SFRY'S HASANI

AU251411 Bucharest SCINTEIA in Romanian 21 Nov 86 pp 1, 3

[Toast proposed by President Nicolae Ceausescu at dinner given in honor of Sinan Hasani, president of the SFRY Presidency, in Bucharest on 20 November]

[Text] Esteemed Comrade President, esteemed guests from the SFRY, comrades, and friends: I take particular pleasure in extending -- within this framework -- warm greetings and best wishes of welcome to our country. I view the visit you are paying to Romania as an and peoples and as an expression of our common will to give them increasingly broader scope.

We note with great satisfaction that Romanian-Yugoslav cooperation and friendship -- characterized by longstanding and beautiful traditions -- indicate a positive trend and are developing at various levels on the lasting basis of full equality and mutual esteem, respect, and trust. The visits and summit talks held in Bucharest and Belgrade and the understandings concluded on those occasions went down each time as events of the greatest importance for constantly deepening these relations. I am convinced that the current visit and the talks we have begun today will give a new impetus to Romanian-Yugoslav friendly relations, at both a bilateral and international level.

In our opinion, there are broad opportunities to expand economic relations and to initiate and accomplish new and mutually advantageous ventures of collaboration and cooperation in various areas of common interest. Conditions exist also to increase scientific-technical and cultural exchanges and cooperation. [paragraph continues]

The intensification of our common efforts to make extensive use of these opportunities is fully in keeping with the interests in progress of the two countries and also serves the general cause of cooperation and peace in Europe and throughout the world.

Your visit to Romania is taking place under very complex international circumstances. Many problems have piled up and, unfortunately, this year new elements have been added thus complicating the international situation even more. The arms race, particularly the nuclear arms race has continued, some conflicts persisted and some even intensified, and there have been new acts of the use of threat of force and of interference in the domestic affairs of other states. All this increases the danger of a new world war and of a nuclear catastrophe which would destroy the conditions for the existence of life itself on our planet.

A number of discussions and negotiations have taken place recently in the international arena, which, however, did not entitle us to say that a certain detente has been achieved. We will be able to speak about a real beginning of detente only when the arms race is halted, when nuclear testing has stopped, and when effective disarmament measures have been taken. The Soviet-U.S. meeting in Iceland ended without tangible accords although a wide range of problems had been discussed and Comrade Gorbachev had proposed a tangible program of measures regarding nuclear weapons. We believe, however, that proceeding from the understandings that were reached in Iceland, everything must be done to achieve real and tangible disarmament accords. European countries are especially and directly interested in the achievement -- as soon as possible -- of an accord on nuclear missiles in Europe. In our opinion, this problem should not be discussed within the complex of problems, but as a problem by itself, all the more so since very clsoe viewpoints have been reached in connection with how to resolve it.

Romania supports the Soviet Union's proposals and views them positively in the belief that they reflect a new way of approaching problems, a way that proceeds from a clear understanding of the fact that in a nuclear war there would be no victors and that such a war would destroy life on earth.

In this spirit our country speaks out for and struggles to eliminate all nuclear weapons by the end of this country, to halt nuclear testing definitively, and to make the United States renounce the so-called "Star Wars." We also speak out for a 25-percent cut in conventional weapons, troops, and military expenditures by 1990 and an at least a 50-percent cut by the year 2000.

In acting concretely in this direction, Romania has decided to proceed to a unilateral 5-percent cut in conventional weapons, troops, and military expenditures. The referendum that will take place in a couple of days will express our people's unanimous will to actually proceed to halting the arms race and to disarmament. In making this decision, our country has called upon all states in Europe to proceed to reducing armaments by at least 5 percent in the belief that such a measure will not endanger the security of any country, but, on the contrary, that it will open up the road to serious disarmament negotiations.

In general, we speak out for broadly developing cooperation among all states in Europe, irrespective of social system, for a united Europe of peace, cooperation, and understanding. We have hailed the successful conclusion of the Stockholm conference, which has shown that it is possible to reach appropriate understanding, and we continue to speak out for efforts to reach an appropriate accord in the Vienna negotiations on the reduction of troops and armaments in central Europe.

Romania attaches great importance to strengthening trust and understanding in the Balkans and to turning this area in a zone of peace and cooperation, without nuclear and chemical weapons and without foreign military bases. [paragraph continues]

The interests of peace and security in this area require that the Balkan countries take more determined action to solve the various problems between themselves by negotiations and to promote trust and goodneighborliness. We believe that the time has come to take tangible action in this direction in the interest of the socioeconomic development of each country in the Balkans and of cooperation and peace in this area.

We also support the achievement of nuclear and chemical-weapons-free zones in northern and central Europe and in other parts of the world.

Our country firmly advocates the solution of all conflicts and disputes in various parts of the world -- such as the Middle East, Central America, Asia and so forth -- solely by peaceful means and negotiations.

We support very firmly the struggle waged by the Namibian people under the leadership of the South West African People's Organization to achieve Namibia's independence; we firmly condemn the racist and apartheid policy of South Africa.

Proceeding from the difficult economic situation of the developing countries, Romania struggles in a sustained way to eliminate underdevelopment and to establish a new world economic order; it struggles for the organization of an international conference in this respect within the United Nations in which all developing and develop countries will participate with equal rights in order to achieve understandings that will favor the more rapid progress of all countries, primarily of the lagging countries, and that will also ensure a smooth development of the world economy. At the same time, we speak out for a global and equitable solution to the problem of foreign debts which burdens and hinders the efforts aimed at progress made by the developing countries.

The just and lasting solution of the major problems confronting our time requires and equal and direct participation by all states -- irrespective of their size or social system -- in international activity. We believe that a special role in this respect has to be played by the small and medium-size countries, by the developing countries, and the nonaligned countries, which make up the great majority of states in the world and are directly interested in a policy of cooperation, in independence and peace.

Romania speaks out for and struggles to perfect the activity within the United Nations and other international bodies and for increasing their role in the international arena.

I want to stress with satisfaction the active cooperation between Romania and Yugoslavia within the United Nations and other international forums and to express the conviction that this cooperation will expand in the future even more.

Deeply convinced that the visit you are paying to Romania will go down -- like earlier such visits -- as an important event in strengthening Romanian-Yugoslav cooperation, I want to toast to:

Closer cooperation between the Romanian people and the firendly peoples of Yugoslavia, their well-being and prosperity!

Understanding, cooperation, and peace in the Balkans, in Europe, and throughout the world!

Your good health, Comrade President, and the good health of all our guests from friendly Yugoslavia!

The good health of all of you! (loud applause)

Economic Agreement Signed

LD221444 Belgrade TANJUG in English 1313 GMT 22 Nov 86

[Text] Bucharest, Nov 21 (TANJUG) -- Yugoslavia and Romania today signed an agreement on economic cooperation to facilitate local border trade.

The implementation of the agreement should ensure further promotion of bilateral trade and the introduction of more advanced forms of cooperation, such as long-term cooperation and production specialization, joint ventures and other.

The agreement was signed in Bucharest by Yugoslav Foreign Trade Secretary Nenad Krekic and his Romanian counterpart Ilie Vaduva.

CEAUSESCU RECEIVES UK AMBASSADOR'S CREDENTIALS

AU242054 Bucharest AGERPRES in English 1920 GMT 24 Nov 86

[Text] Bucharest AGERPRES, 24/11/1986 -- Monday, November 24, President Nicolae Ceausescu of Romania received Hugh James Arbathnott, who presented his credentials as ambassador extraordinary and plenipotentiary of the United Kingdom of Great Britain and Northern Ireland to Romania.

Hand-delivering the letters of credence, the British ambassador conveyed President Nicolae Ceausescu a cordial salute on behalf of Her Majesty Queen Elizabeth II, as well as the best wishes of well-being and prosperity for the Romanian people.

The ambassador made a speech on the occasion, underscoring the fine relations established between the two countries, and expressing the wish for their growing and stepped up economic, industrial and technological cooperation, for the further development of bilateral ties in the field of education, science and the arts, of cooperation in the international arena, for the mutual benefit of the two countries and peoples, of the cause of peace.

Receiving the credentials, President Nicolae Ceausescu of Romania conveyed her majesty Queen Elizabeth II the best wishes of health and happiness, and wishes of progress and prosperity for the British people.

In his reply, President Nicolae Ceausescu expressed satisfaction for the ties of friendship and collaboration between the two countries and peoples, which take a steadily upward course, and pointed to the existence of prerequisites for the expansion and growth of Romanian-British relations in various fields of activity.

Stressing that the cardinal issue of the present-day world was the cessation of the arms race, of the nuclear race first of all, a passage to concrete disarmament measures and the safeguarding of world peace, President Nicolae Ceausescu said that, working to that effect, Romania had decided to unilterally cut its arms, troops and military spending by five per cent. The referendum that was called voiced the Romanian people's unanimous will to do its best for the promotion of the disarmament and peace policy. In his speech, President Nicolae Ceausescu pointed to the necessity that all the peoples should rally their efforts and cooperate more closely for practical nuclear and conventional disarmament measures.

After the credentials presentation ceremony, President Nicolae Ceausescu conversed with the British ambassador, Hugh James Arbathnott.

LCY CENTRAL COMMITTEE ISSUES ECONOMIC CONCLUSIONS

LD280402 Belgrade TANJUG Domestic Service in Serbo-Croatian 1133 GMT 27 Nov 86

[Text] Belgrade, 27 Nov (TANJUG) -- At its fourth session on 26 November 1986 the LCY Central Committee discussed the ideo-political issues of implementing the development and economic policies in 1986 and also the tasks facing the LC in the country's socioeconomic development in 1987.

The LCY Central Committee judged that, despite the positive results achieved in industry and agriculture, the rise in employment, the stability in the country's current and international liquidity and the reduction in foreign indebtedness, and despite a degree of deceleration in unfavorable economic trends in the second half of the year, the economic situation in the country remains difficult. There have been shortfalls in the export of goods and services, while tasks failed to be carried out in the spheres of consolidating the material basis of associated labor, the implementation of the prices policy, the policy of income distribution, the distribution of the personal incomes funds, general expenditure and welfare services, restructuring of the economy, raising labor productivity and enhancing efficiency in economic activities. As a result of all economic difficulties, inflation continues to be very high with very unfavorable social and economic consequences.

Proceeding from the assessments of the socioeconomic situation in the country, the Central Committee points to the following pressing and crucial tasks facing the LC and other organized subjective forces:

1. The resolutions of the 13th LCY Congress and the commitments contained in the long-term program of economic stabilization are binding on all LC members, organizations and organs in their activity, and represent a basis for their direct action in formulating and implementing the policy of the country's socioeconomic development. How consistently these commitments are being realized in practice must become the main criteria of the activity and responsibility of each LC member, organization and organ. Any attempt at reopening debates within the LC on those issues that have long been settled from the ideological point of view is unacceptable, as this would cause delays in the efforts to resolve mounting economic and social problems, create confusion, and impair the ideo-political and action capability of the LC and all other socialist subjective forces. Only through a decisive and united action on the part of all the factors in the system of socialist self-management, and provided hesitancy and inconsistency in implementing the stabilization policy are eliminated, would it be possible to make a turnabout in the economic trends and to secure conditions for the further dynamic and harmonious development.

2. In view of the Central Committee, the changes in the economic system and economic policy as proposed by the Federal Executive Council are in line with the 13th LCY Congress. It therefore gives its support to the orientations contained in and the approach applied in the resolution on the country's socioeconomic development in 1987, and in the proposed changes to a number of economic and systematic regulations aimed at accelerating the implementation of the long-term stabilization program. The resolution on the policy of implementing in 1987 Yugoslavia's social plan for 1986-90 together with accompanying documents should be adopted by the end of the year, while the changes in the economic system that would facilitate a comprehensive implementation of the long-term program of economic stabilization should be adopted as soon as possible, so that by the beginning of next year the basic terms of economic activity are known and applied in practice.

By their continued activity the organs of the sociopolitical communities, the LC and all subjective forces must ensure that the specific solutions in the economic system, development and economic policies and their implementation are in line with the economic stabilization and the LC policy, and that realistic goals and tasks of the economic and development policy for next year are adopted. To this aim it is necessary to ensure a full participation of scientific and professional people and institutions.

3. The LCY Central Committee obliges all LC members, organizations and leadership to invest maximum efforts to ensure that the following crucial tasks of the next year's economic and development policies are carried out:

-- The task of implementing the policy of labor-intensive economic activity by relying on our own resources with a rise in productivity, work efficiency and enhancement of all economic factors in all work organizations;

-- The task of ensuring a consistent realization of orientation to export, increased and more successful participation in the international division of labor; this requires a faster implementation of the joint production and export programs; a faster increase in exports and foreign currency inflow; more economical import of necessary raw materials, manufacturing components and equipment for the requirements of the manufacturing sector and of consumer goods; and a more economical and efficient functioning of our trade and other economic missions abroad;

-- Adoption and implementation of the specific programs of restructuring the economy in keeping with the requirements of the domestic and foreign markets and the realization of the long-term strategy of the country's technological development;

-- The task of increasing production as a whole and in particular export-oriented production; further developing agricultural production, transportation, tourism, small businesses, private work and housing construction. This calls for joint plans of developing the energy industry and other sectors of significance for overall development;

-- The task of bringing public spending in line with the stabilization policy; adopting and implementing programs of reducing overhead costs at all levels; making the network of institutions in service industry more efficient; and adhering to all forms of saving;

-- Increasing productive employment and ensuring that personal incomes reflect work results and serve as a motivation factor;

-- Accelerate the development of insufficiently developing republics and of Kosovo in particular;

-- Accelerate the adoption of measures that will help to resolve the topical problems of losses, illiquidity, and financial consolidation of the SRs of Montenegro and Macedonia and the SAP of Kosovo;

-- To create conditions for restructuring the economy, and the practice of socializing losses, and formulate and implement recovery programs for those organizations of associated labor that satisfy necessary conditions; liquidate uneconomical organizations in the manufacturing sector but offer at the same time specific measures and programs of providing employment for workers from these organizations of associated labor in other spheres of activity.

In order to realize the essential tasks of the economic and development policy in 1987 and establish mutual duties and rights for their implementation, it is necessary also to establish the state of financial accounts, and on this basis coordinate and more speedily establish the priority tasks in the realization of the development tasks adopted in the social plans of the federation, the republics and provinces from 1986 to 1990.

To realize the policy of economic stabilization and deal with economic problems it is necessary to carry out essential changes in the cadre policy; in this connection it is necessary that brave and creative cadres should be fully involved and that greater evaluation of productive and creative work, innovative activity and all other activities that promote the organization of work and economic activity as a whole should be ensured. It is necessary to develop mutual relations between workers in direct production and other work processes on the one hand, on the basis of establishing their contribution to the realized income and to jointly establish measures in accordance with the conclusions of the 24th session of the LCY Central Committee. On these bases it is necessary to test constantly the ability of management and other cadres from the point of view of realizing the established policy. It is necessary to change and bring in new cadres in the organizations of associated labor and in the banks that are not doing business successfully, that are stagnating in development or losing money.

4. The Central Committee points out that it is necessary that communists in the organizations and institutions of the system should make efforts that in the forthcoming changes in the economic system, development and economic policy, the following in particular should be ensured:

-- The curbing of inflation and its essential reduction which is a task of the utmost importance of the development and economic policy in 1987 and for the concrete activity of all socialist subjective forces;

-- The realization of the policy of the distribution of income in which the position of the organizations of associated labor will strengthen and in which expenditure will be coordinated with the changes of income and the established policy, while personal incomes will be in accordance with the results of current work and the management and business activity of social funds. In this connection the LC, trade union federation and other social factors have special tasks in the consistent implementation of the LCY Central Committee stands on the realization of the workers' constitutional position in making decisions and distributing income and the funds of social reproduction;

-- The implementation of changes with the aim of eliminating disparities in prices in accordance with the long-term program of economic stabilization, which should be carried out simultaneously with other changes in the economic system and the economic and development policy.

5. The Central Committee believes that changes in the economic system, development and economic policy should lead to the strengthening of intensive economic development, affirmation of realistic economic categories and the market oriented economic activity, and to create conditions for radical changes in business policy, production and investment orientation, strengthening of financial discipline and the increasing economic accountability for the results of economic activity.

The conditions of economic activity in 1987 will be exceptionally difficult and will cause great difficulties in a section of the economy and social activities. This will demand maximum involvement of working people in these organizations and the mobilization of all subjective forces in order to get out of these difficulties.

In view of this it is necessary in each organization of associated labor, in each sociopolitical organization, and at the level of the country to consider the effects of the forthcoming changes and undertake all the necessary changes and activities in the direction of creating conditions and the political climate necessary for the realization of the aims and tasks of economic development next year and overcome enormous problems that will be facing the economy and society.

The Central Committee stresses that with the aim of creating the most comprehensive conditions as possible for the consistent implementation of the forthcoming economic and systematic changes, special attention should be devoted to establishing and realizing the program of financial consolidation of the economy and the banks, while also taking into account the dynamics of the program's realization. This will demand the consistent implementation of the program of relieving the economy of excessive levels, also including the solution of the problem of the shortage of working assets, the improvement of current liquidity, as well as the reprogramming of some of its debts.

It is also necessary that at all levels established and realized are the concrete programs of measures and activities for the protection of the standard of living; that is, the improvement of the material and social position of those strata of working people and citizens who are in a more difficult position and cannot solve these problems exclusively through their own efforts.

6. The Central Committee points out that a comprehensive and essential realization of the orientations of the long-term program of economic stabilization and the 13th LCY Congress also calls -- apart from changes in the economic system, development and economic policy -- for changes in the behavior of all economic subjects, delegate and assembly organs and all the subjective factors, and for the creation of the appropriate political climate in which there will be a demand for the sharpening of personal, economic and political accountability for the implementation of the established policy, agreements reached, duties taken on and the overall course of implementing stabilization.

The LC should provide an example and through concrete actions contribute to the full mobilization of working people and citizens on activating all self-managing and sociopolitical organizations and communities in such a way that everybody in accordance with their role and responsibility fully contributes in the struggle for halting unfavorable trends and for achieving as good as possible results in 1987. With its overall activity the LC should make possible the constant strengthening of progressive social forces and the spreading of their front on the line of real implementation of the long-term program of economic stabilization and the 13th LCY Congress. In this the LC should provide not only verbal support for the forthcoming economic and systematic changes, but through concrete involvement in all environments, it should ensure that all the available cadre, material, organizational and other opportunities for achieving positive results are utilized.

It is necessary to oppose resolutely the opportunistic manner of coming to terms with conditions in one's own environment and the attempts to shift one's own shortcomings onto others and the wider social community. The gravity and complexity of the economic situation and the time in which we live demand that each communist be actively involved, adopt a fighting and more responsible attitude to shortcomings in their own environments and society, as well as to carry out a persistent struggle for improvement of the business activity of their organizations.

7. The LCY Central Committee obligates communists, organizations and leaderships of the LC to make efforts that stands taken at this session should be consistently realized in the forthcoming changes in the economic and political system, in adopting and realizing the resolution on the policy of socioeconomic development in 1987, as well as in the immediate activity in associated labor, in LC and other sociopolitical organizations.

8. The LCY Central Committee Presidium will monitor and stimulate the overall ideo-political activity on the consistent realization of these stands, and will regularly inform the LCY Central Committee about this.

SLOVENE LC DEBATES 'JUSTIFIABLE' STRIKES

LD280513 Belgrade TANJUG in English 1953 GMT 27 Nov 86

[Text] Ljubljana, Nov 27 (TANJUG) -- The Central Committee of the League of Communists of Slovenia (LCS) said today that strikes are justifiable where workers are unable to realise their interests, demands and requirements because their rights are usurped. In the event of a strike, communists must fight for the workers' constitutional rights in self-management organs, trade unions and socio-political organisations.

The LCS Central Committee convened to debate strikes, which are steadily on the rise in this most developed Yugoslavi republic, and concluded that communists must adopt a single attitude towards this phenomenon. So far, strikes have been treated differently. On the one hand, they have been regarded as something incompatible with the self-management society, while on the other they have been justified as a last resort of workers fighting for the fulfilment of their just demands.

There were 231 registered strikes in this Yugoslav republic during the first six months of the year alone, compared with 340 throughout last year.

One of the characteristics of strikes so far is that they have not led to resignations of management teams in affected enterprises. On the contrary, strikes have been blamed on workers, mostly on the organisers.

The LCS Central Committee stressed that in many cases conflict situations in enterprises have been caused by leadership teams, who have all the power in their hands and are thus able to influence crucial decisions. Strikes also occur because leadership bodies are ignorant of the true mood of the workers and fail to keep the latter informed about their enterprise's situation and its prospects.

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WARSAW PACT DISARMAMENT EXPERTS MEET IN SOFIA

AU211316 Sofia NARODNA ARMIYA in Bulgarian 20 Nov 86 p 1

[Text] Sofia, 19 November (BTA) -- A meeting of the working group of experts from the Warsaw Pact states on issues relating to reducing armed forces and conventional weapons in Europe took place in Sofia on 18 November. They discussed various aspects of the implementation of the program to reduce armed forces and conventional weapons in Europe set out in the Budapest appeal of the Political Consultative Committee of the Warsaw Pact states to the NATO member-states and to all the countries in Europe.

CEMA MATERIALS COMMISSION MEETS IN PRAGUE

LD280247 Prague CTK in English 1840 GMT 27 Nov 86

[Text] Prague Nov 27 (CTK) -- The second session of the Council of Mutual Economic Assistance (CMEA) Standing Commission for Cooperation in the Production and Processing of New Materials ended here today with the signing of a final protocol.

The session was presided by head of the Soviet delegation, Deputy Chairman of the Soviet State Committee for Science and Technology Vladimir Kudinov. The Czechoslovak delegation was headed by Minister of Metallurgy and Heavy Engineering Eduard Saul.

Discussed at the session was the implementation of the Complex Program of Scientific-Technological Progress of the CMEA member States Up to the Year 2000. The commission also approved measures concerning aid to Cuba, Vietnam and Mongolia in order to make possible their more active participation in the solution of tasks in this field.

An agreement was signed in the course of the session on cooperation in the development of progressive technologies of coating materials with hardening, abrasion-resistant and rustless substances, with the use of plasma, vacuum and explosion. [as received]

BRIEFS

CEMA SHIPBUILDING MEETING -- Warsaw, Nov 28 -- The Shipbuilding Branch Bureau of the CMEA Committee for Cooperation in Engineering wound up a four day meeting in the Baltic port of Gdansk today, making a major step forward to greater integration and cooperation among the nine members of the CMEA and Yugoslavia, represented in the bureau. Among its major decisions are arrangements aiming to assure complete cycle of processing jointly undertaken technical and production projects, from basic research through trading in the final product. The bureau called for narrower specialization in the shipbuilding industry, under which Poland would continue to specialize in development and production of fishing vessels, container and CON-RO ships and cold storage vessles. Until now, the system's weakness was that too many partners specialized in the same production. On long-range issues until the year 2000, also discussed by the bureau, it decided to accept into the long-range programme only products that will meet world standards, for which special CMEA norms are to be defined. [Text] [Warsaw PAP in English 0751 GMT 29 Nov 86 LD]

ALIA GREETS SFRY'S HASANI ON NATIONAL DAY

AU291715 Tirana ATA in English 1138 GMT 29 Nov 86

[Text] Tirana, November 29 (ATA) -- The president of the Presidium of the People's Assembly of the People's Socialist Republic of Albania, Comrade Ramiz Alia, sent the following message of greetings to the chairman of the Presidency of the Socialist Federal Republic of Yugoslavia, Sinan Hasani:

"On occasion of the national day, the anniversary of the proclamation of the Republic, on behalf of the Albanian people, the Presidium of the People's Assembly and in my name, I convey to you wishes for the happiness of the peoples of the Socialist Federal Republic of Yugoslavia and the prosperity of the country."

KORBECI, PLAKA ATTEND SFRY EMBASSY RECEPTION

AU282012 Tirana ATA in English 1030 GMT 28 Nov 86

[Text] Tirana, November 28 (ATA) -- On occasion of the National Day, the ambassador extraordinary and plenipotentiary of the Socialist Federal Republic of Yugoslavia to the People's Socialist Republic of Albania, Novak Pribicevic, gave a reception at the embassy seat yesterday.

The reception was attended by the minister of foreign trade, Shane Korbeci; the vice minister of foreign affairs, Sokrat Plaka; the vice minister of communications, Ferdinand Tako, and other guests.

Present were also officials and functionaries of the diplomatic representations accredited to the People's Socialist Republic of Albania.

AUSTRIA SIGNS SCIENTIFIC COOPERATION AGREEMENT

AU282011 Tirana ATA in English 1032 GMT 28 Nov 86

[Text] Tirana, November 28 (ATA) -- The agreement on the scientific cooperation between the Academy of Sciences of the PSR of Albania and the Academy of Sciences of Austria was signed in Tirana yesterday.

For the Academy of Sciences of the PSR of Albania, the agreement was signed by its president, Prof. Aleks Buda, whereas for the Academy of Sciences of Austria the agreement was signed by its president, Prof. Dr. Johann Tuppy.

The signing ceremony was attended by the chairman of the Science and Technique Committee, Ajet Ylli; the chairman of the Albanian Committee for Cultural and Friendly Relations with Foreign Countries, Jorgo Milica; the vice rector of the "Enver Hoxha" Tirana University, Hasan Mucostepa, as well as the members of the two delegations.

The agreement envisages the exchange of scientists for scientific researches, further qualification, the delivery of discourses, the mutual participation in scientific conferences and other activities, the exchange of scientific and technical publications, information and other documents.

On this occasion the president of the Academy of Sciences, Prof. Aleks Buda gave a dinner.

AWP PAPER EXAMINES SOVIET ECONOMIC REFORMS

AU292128 Tirana ZERI I POPULLIT in Albanian 23 Nov 86 p 4

[Editorial: "The Soviet Revisionists Make Legal the Forms of Transition to Classical Capitalism"]

[Text] On 19 November the Supreme Soviet of the Soviet Union passed a law on private labor. The law defines 29 kinds of private labor which will be permitted in the production and service sectors, from housing construction and repair, the manufacture and repair of footwear, furniture, and household equipment, down to automobile repairs, transport, agricultural labor, and teaching. In fact, as the meeting of the Supreme Soviet declared, the list of lawful kinds of private activity will be longer, and it will be left to regional authorities to extend it further. Soviet officials and press organs, though plenty in number, did not give great publicity to the passing of this law, but in the West propagandists of free enterprise welcomed it with particular enthusiasm.

The private sector in the field of production and in some services has both been permitted and given priority in the Soviet Union since the usurpation of the party and state leadership by the Khrushchevites. To give an idea of the size of the private sector in this country, let us mention that 32 million people are employed in it -- workers, collective farmers [kilkoziane], and clerical staff. According to data provided by the Soviet newspaper EKONOMICHESKAYA GAZETA, the result is that 25 percent of the general national agricultural production is produced by the private sector; when divided into particular areas, it emerges that this sector produces 50 percent of the fruit, 58 percent of the potatoes, 30 percent of the vegetables, 28-29 percent of the milk, 24 percent of the wool, etc. With the new law, a qualitatively new phase will begin.

Hitherto, as prescribed in a particular article of the Soviet Constitution of 1977, individual private labor has been permitted, while the new law permits the private activity of groups of people, and the creation of private enterprises. The new law extends the sphere and nature of the extent of private labor, and the forms of its organization. The private sector has hitherto been permitted in agriculture and some services, but with the new law it extends into industrial production, transport, etc. For the first time, professions and intellectual labour may be included in the private sector, thus creating a more complete cycle of social and economic organization of a private character.

The approved law on private labor represents a new direction in Gorbachev's political and economic strategy. Of course the privatization of production and services no longer comes as a surprise in the modern Soviet Union, a country in which capitalism has been reimposed, in the form of monopoly state capitalism of a particular kind. Privatization in the Soviet Union, in individual and group form, quite independently of its speed or extent, is of the same economic and ideological nature as state capitalism. It develops within the framework of capitalist production relations. The special aspect of the process taking place in the Soviet Union is the country's adoption of the forms of classical private capitalism, and the transition from a state monopolist organization of a particular kind to individual and group private organization. With the new law, the Soviet leadership permits precisely this process of transition to classical capitalism. The creation of enterprises or cooperatives of the present "family group" type clearly expresses the tendency of development toward classical capitalism. This means that in the Soviet Union today, surplus value goes not only into the pockets of the new bourgeoisie, according to the positions its members have seized in the hierarchy of the state, the party, the army, science, the arts, and so forth, but also into the pockets of certain private persons and groups according to the scale of their capitalist activity. [paragraph continues]

TASS vainly attempts to hide this with the comment that "the new law only permits members of a family to work together in their individual work activity." This "family" character does not contradict the capitalist nature of property. This kind of management and ownership of capital within a family is well-known in classical capitalism too. This was so at the beginning of the capitalist order, and is true today in developed capitalist countries, where powerful capitalist groups can be identified with definite family circles. It is well known that the "family" concept in the economic, financial, and trading sphere is extremely broad, and creates the conditions for every greater private capitalist activity.

What are the motives which urge the Soviet leadership to justify the transfer of the organization of the economy and production to the basis of private initiative and free competition? The state monopolist structure of a particular kind which was imposed in the Soviet Union did not bring results. It failed economically and caused dissatisfaction among the masses. The scale of the crisis is such that it is confirmed by the Kremlin leaders themselves. One of the basic aims of the "restructuring" and modernization of the economy that Gorbachev has undertaken is indeed to emerge from economic difficulties, stagnation and decay. It is not irrelevant that the USSR Government, in its relations with Western capital, now seeks and has made legal the creation of joint companies with private investors, who may provide up to 49 percent of the capital, are permitted to reinvest their profits in the Soviet Union, and may involve themselves in the foreign trade operations of these companies.

The law makes official and intensifies the well-known capitalist process of class polarization, in which money and wealth accumulate in the hands of a few, who live on the backs of the broad working masses. "Money," stressed Lenin, "is a license to grab hold of social wealth, and the class of many millions of small property owners holds on tight to this license." This class continually gives birth to new capitalists. Apparently, the Soviet leadership and the whole capitalist order imposed upon the country do not feel themselves secure, in either their economic or their political plans, and as a result have a major need to rely upon a powerful class of private capitalists.

So, "real socialism" emerges as a form of transition between the state monopolist and the private forms of classical capitalism. The privatization of state activities, like the nationalization of private sectors, is a well-known phenomenon and process in capitalist countries. The Soviet Union is following the same road, and will meet the same consequensces as the classical capitalist countries. The Soviet leadership has excessive faith in private capitalism, a kind of faith that has been lost by even the Western apologists for this kind of capitalism themselves, so violently has it been shaken by events.

BULGARIAN TRADE DELEGATION DEPARTS 27 NOV

AU282010 Tirana ATA in English 1025 GMT 28 Nov 86

[Text] Tirana, November 28 (ATA) -- The government trade delegation of the People's Republic of Bulgaria, headed by the minister of trade, Khristo Khristov, left our country, on November 27.

The delegation was seen off at the airport by the minister of foreign trade, Shane Korbeci, the head of department at the Ministry of Foreign Affairs, Izedin Hajdini, and others. Present was also the charge d'affaires a.i. of the Embassy of the PR of Bulgaria in Tirana, Jordan Iliev.

During its stay in our country the delegation visited social, cultural and historic centers in the cities of Tirana, Durres and Kruje.

LUKANOV RECEIVES USSR COMMUNICATIONS MINISTER

AU260919 Sofia RABOTNICHESKO DELO in Bulgarian 22 Nov 86 p 6

[Text] On 21 November Andrey Lukanov, candidate member of the BCP Central Committee Politburo and first deputy chairman of the Council of Ministers, received Vasiliy Shamshin, USSR minister of communications.

They discussed the state of bilateral cooperation in producing communications equipment, as well as cooperation in communications. Special attention was paid to the new directions of developing this equipment with the view to satisfying the two countries' needs.

The meeting was attended by Krustyu Stanilov, deputy chairman of the Economic Council, and Atanas Popov, chairman of "Communications" Economic Trust.

MINISTERS ISSUE DECREE ON HOUSING CONSTRUCTION

AU281419 Sofia BTA in English 1207 GMT 28 Nov 86

["Decree on the Development of Housing Construction" -- BTA headline]

[Text] Sofia, November 28 (BTA) -- The Council of Ministers and the National Council of the Fatherland Front have issued a decree on the establishing of conditions for the cooperative construction of housing. 120,000 flats must be built in the country in this way by 1990. The aim is to adopt a new architectural and urbanist concept and to create the conditions enabling individuals and teams to build their own houses or flats in such a way. The construction work will be carried out by enterprises on the basis of contracts with the municipal councils. The Central Cooperative Union is being ordered to set up cooperatives for the construction of housing, for trade with building materials and the provision of building services.

The State Savings Bank will be offering loans to individuals for the construction of housing of up to 18,000 leva repayable in 30 years.

The decree orders all construction of buildings over 3 storeys high to be stopped in all villages and in 194 towns as from July 1 1987. The average height of the buildings in the new development projects in Sofia and in the other major cities should be reduced by 2 to 3 floors.

The buildings in the low-rise city districts and in the villages will be constructed for the needs of one household each. Single-room flats (a flat consisting of a single room with a kitchen niche) will not be built any more. The construction of single-room flats with a separate kitchen will be stopped in Sofia only as from January 1 1988.

The decree blocks the territorial growth of all municipalities unless they have developed all available land within their boundaries. Unproductive or deserted lands will be given priority when constructing housing projects.

The decree envisages a considerable improvement of the architecture and comfort of the buildings.

REAGAN'S ROLE IN U.S.-IRAN AFFAIR VIEWED

AU281227 Prague RUDE PRAVO in Czech 27 Nov 86 p 7

[Zdenek Porybny Washington dispatch: "Will the Scandal Be Hushed Up? The Specter of Watergate Is Haunting the White House" -- passages between slantlines published in boldface]

[Excerpts] /The worst scandal in Washington since Watergate, which poses the greatest threat to the presidential office since that time," [quotation marks as published] this is how THE WASHINGTON POST on 26 November characterized the gradual revelations about the unlawful activities of President Reagan's close aides in connection with the secret funding of Nicaraguan counterrevolutionaries at a time when a Congressional bill explicitly forbade this./

Despite President Reagan's claim that he was unaware of the illegal deeds of his subordinates in the National Security Council, a number of people who know from their own experience the administrative process in the White House publicly express their doubts. [passage omitted quoting Alexander Haig to this effect]

Scapegoats [subhead]

Even Reagan's usual supporters do not believe that an ordinary lieutenant colonel of the Marines would be able to organize of his own will a secret illegal operation involving four different countries (Iran, Israel, Switzerland, and the United States) and the Nicaraguan counterrevolutionaries. [passage omitted quoting Henry Kissinger to this effect]

A number of commentators agree with the opinion that has been voiced by THE NEW YORK TIMES: "Many regard the sacking of Lieutenant Colonel Oliver North from the National Security Council, where he dealt with both Iran and the Nicaraguan rebels or 'contras,' as the final outcome of the search for a scapegoat." /R. Squier, a Democratic Party official, was more outspoken: "It is as if they were rummaging in the White House archives and found Nixon's old plan. You throw a few people to the wolves, let out a bit of information, and hope that it will work."/ [passage omitted]

President's Responsibility [subhead]

The question being asked in Washington political circles is to what extent it is possible to trust the President's claim that "he was not informed" about the illegal action of his subordinates and, in the event that he is speaking the truth, what control he in fact has over the policy of his administration. [passage omitted]

These are exceptionally important questions, especially in view of the fact that /Reagan's subordinates violated at least five valid U.S. laws./ [passage omitted]

Reagan has already appointed an investigating commission that should "restore the trust of the American people." [passage omitted] However, the question is whether Congress will be willing to reach down to the bottom of the turbid well of the secret operations by the apparatus of the White House and draw all the necessary conclusions if it ascertains a violation of the laws. T. Foley, a Democratic member of the House of Representatives, said that "I fear that this might happen. I do not want to see a crippled administration." A similar view has also been expressed by other members of Congress, who advise Reagan to establish order in his staff as soon as possible and restore the credibility of his administration.

The big question is to what degree Reagan will succeed in this. The fact is that this scandal is only the latest expression of arrogance of power, which has been characteristic of his entire presidency, in domestic and foreign policy alike.

Although the "teflon President" -- as Reagan is called because of his dexterity in manipulating public opinion and the ability to emerge politically unstained from scandals that would be fateful for other politicians -- is finding out these days that his shell is cracking, there is nothing to suggest that, aside from a handful of people in his surroundings, he also intends to change his political approaches, approaches that in the final analysis led to the violation of U.S. laws by his subordinates.

PRC TRADE UNION OFFICIAL DISCUSSES VISIT

AU261349 Prague PRACE in Czech 17 Nov 86 p 1

["BS"-signed report: "Head of Chinese Trade Union Delegation on Results of Visit to CSSR; Developing Friendship And Cooperation"]

[Text] A delegation of the All-China Federation of Trade Unions [ACFTU], which paid an official friendly visit to our country at the invitation of the Central Council of Trade Unions [URO], is leaving Prague by air 17 November. The head of the delegation, ACFTU Secretary Wang Shenxiang, has told our correspondent during the visit:

Throughout its visit to your country, our entire delegation was given an attentive and warm reception at all levels, beginning with the URO and ending with the primary trade union components. We were exceptionally impressed by the meeting and talk with Comrade Karel Hoffmann, member of the Presidium of the CPCZ Central Committee and chairman of your URO.

Our talks were held in a friendly, comradely, and cordial atmosphere. This is evidence that the relations between our trade union organizations have not only been restored, but that they will continue to develop on a new foundation. In the talks with an URO delegation we agreed on a plan of cooperation and exchanges of delegations for next year which, compared with this year, are being doubled, a matter which is a great step toward the development of our relations.

During our stay we saw the great successes achieved by your workers class and your people under the leadership of the CPCZ, we saw how happily your people your workers class, and the working people of the CSSR live. We see how successfully the Czechoslovak trade unions participate in the realization of the conclusions of the 17th CPCZ Congress. We acquainted ourselves with the tasks and the activity of the Revolutionary Trade Union Movement, which plays a significant role in the construction of socialism. These are experiences from which we can learn for our work. A traditional friendship exists between our working people and the trade union centers of our countries, which both sides are trying to develop further. I firmly believe that the relations of friendship and cooperation between the CSSR and the PRC and between our trade union organizations will exceed the level achieved in the fifties, that we are entering a new stage of relations.

Proceeding from the fundamental interests of the people and trade unions of our countries, our organization will educate its members to proceed in unity in the endeavor to build socialism and in the struggle for maintaining world peace. On this occasion, I would like to convey, in the name of 85 million Chinese trade unionists and the workers class, cordial greetings to the CSSR workers class and all working people. I wish the Czechoslovak people many further successes, luck, and health.

HONECKER ADDRESSES SED CENTRAL COMMITTEE 21 NOV

LD211612 East Berlin NEUES DEUTSCHLAND in German 22-23 Nov 86 pp 3-4

["From the Concluding Speech by General Secretary of the SED Central Committee Erich Honecker at the third session of the Central Committee on 20 and 21 November 1986, headlined "With Initiative, Creativity, and Elan We Are Implementing the Resolutions of Our 11th Party Congress"]

[Text] Berlin, 21 Nov (ADN) -- The course of the discussion on the report by the Politburo and on the 5-Year Plan for the Development of the National Economy up to the year 1990 has been an exchange of experiences regarding the implementation of the decisions of the 11th Party Congress. The main content of this exchange of experiences shows us the way in which we can successfully continue both in the domestic and foreigh policy field the dynamic development which derives from the realization of the decisions of the 11th Party Congress. Basically, it is only now becoming clear to the full extent that the decisions of the 11th Party Congress have handed our party, indeed our people, the key to solving the main task of the present time: the further shaping of the developed socialist society in the GDR in line with our concrete historic conditions, in the spirit of our party's program.

The problems we face in the foreign policy field are for us clear and plain. It is necessary to secure peace, to avert the danger of a nuclear inferno. Both now and in future, this means that a strong socialism is also a secure peace, because a strong socialism will check the readiness to take risks of those who back a policy of strength and not a policy of reason and realism. We are of the opinion that in the present dispute the strategy of mutual security will in the final analysis preserve mankind from a nuclear inferno. In this, we touch on the core of the proposals made by Mikhail Gorbachev in Reykjavik, which have within a short time captivated the world.

In the discussion reference was therefore rightly made to the historic significance of the Reykjavik meeting. The proposals submitted by Mikhail Gorbachev not only accord with the most fundamental interests of the Soviet Union and the United States but with those of the whole of mankind. This finds its expression in the appeal made by the USSR Supreme Soviet to all the peoples of the world resolutely to create the practical transition to a world without nuclear weapons and an equal security for all states. The Soviet Union proposes reducing the strategic offensive weapons of the USSR and the United States by 50 percent within 5 years, completely eliminating the medium-range missiles of the USSR and the United States in Europe and radically reducing the number of the missiles in this class in Asia.

It proposes that the USSR and the United States commit themselves to not make use for 10 years of their right to withdraw from the 1972 indefinite treaty on limiting missile defense systems and to continue to strictly observe all its requirements. The Soviet Union is against SDI and in favor of consolidating the ABM Treaty. It further proposes that the USSR and the United States begin negotiations on a complete end to nuclear tests. There is also the proposal made by the Warsaw Pact states in Budapest on disarmament in the conventional field from the Atlantic to the Urals.

All this prompts the world to take notice, because it makes it clear how it can emerge from a situation which it has been maneuvered into by the Western arms lobby and their representatives. The fact that the United States did not show itself to be very flexible in Reykjavik and caused the meeting to fail by sticking to the program for preparing "Star Wars" is regrettable. [paragraph continues]

However it in no sense narrows the impetus that was given by the Soviet Union's proposals towards conducting serious disarmament talks.

We have made this clear standpoint the basis of our entire foreign policy activity, and as I said in Moscow at the meeting of the general secretaries and first secretaries of the parties from socialist countries which are members of the CEMA, the GDR will continue to make an active contribution to the common peace policy of the socialist community of states.

As you were able to note from the material presented, the results of the exchange of views at this meeting are of historic, fundamental significance for the further development of our cooperation, for strengthening the unity and cohesion of our ranks. They have introduced a new phase in the relations between our parties and socialist countries. The cooperation of our parties and states on the basis of the principles of equality, indepence, autonomy, and the responsibility of our parties to their own peoples received a new impetus, both in the field of solving the topical problems of socialist construction and the implementation of socialist economic integration, as well as in the struggle for peace and disarmament in the international arena.

I would like to stress that the most important problem we face is averting the danger of a nuclear inferno, which is being conjured up by the arms escalation strategists of the United States and those who support them. This danger can only be averted if nuclear weapons disappear from the planet by the year 2000, if a new round of the arms race and its expansion into space is prevented. The significance of the proposals made by the Soviet Union and the other Warsaw Pact states, and also -- not in the least -- the positive results of the Stockholm Conference and in particular of the fact that the Soviet Union has maintained its moratorium for 15 months and undertaken no nuclear tests in this period, must be seen in this light.

It is of great significance that the elimination of the nuclear arsenals, particularly in Europe, has moved to the forefront of attention following Reykjavik. The fate of Europe must not be allowed to fall victim to SDI. There must be some movement here. I am thinking of the creation of a corridor free of nuclear theater weapons in the center of Europe -- that is to say, at the dividing line between Warsaw Pact and NATO, of the initiative of the CPCZ and SED, which meets with the support of not just the socialist states. I am thinking of the establishment of a zone free of nuclear weapons in Northern Europe and in the Balkans, and also of the joint proposals to create chemical weapons-free zones.

In short, we have an excellent peace program; we have answers to all questions whose solution would contribute to averting a nuclear inferno. In connection with the far-reaching proposals that Mikhail Gorbachev has submitted, with the proposal to liberate Europe from medium-range missiles, some Western governments have brought up the question of short-range missiles. We can also give a clear answer to this question. If the question of the medium-range missiles is solved, then there will no longer be any need to have tactical missiles (under 1,000 kilometers in range) in the GDR. There would then be the possibility of removing these devilish things from the territory of the GDR.

Our party and state leadership have described the Reykjavik meeting as an historic event. Because of Mikhail Gorbachev's explanations at his Reykjavik press conference, such a description is certainly justified. Reyjkavik was a great gain for the socialist world -- a gain for the whole of mankind. All attempts by the Western side to drag the world back behind Reykjavik at future arms control negotiations are out of place, and are not in accord with reality.

Mutual agreement was achieved in important areas in Reykjavik. Mikhail Gorbachev represented a firm, principled, and at the same time elastic position. This was and is marked by the readiness to enter into well-founded compromises aimed at the successful defense of peace. The main obstacle to agreements is the stubborn insistance of the U.S. Administration on SDI, on the preparation for Star Wars. The lack of readiness by the U.S. Administration to solve the fundamental question of the present, the question of war and peace, cannot be overlooked.

We are resolutely continuing our peace course, the course of dialogue and cooperation. Here too, like Lenin, we regard it as necessary to increase the political vigilance toward the warmongers of imperialism, toward subversive actions by the enemies of peace and socialism, toward their psychological warfare. It is necessary everywhere to answer openly peoples' questions in connection with the diverse topical problems of the struggle for peace, including those regarding the attitude of the opponents of disarmament.

A good half year has passed since the 11th party congress made fundamental decisions, in line with our party's program, on the further shaping of the developed socialist society in the GDR. In this way we are making the advantages of and driving forces inherent in socialism more effectively felt in the interests of strengthening the GDR, the wellbeing of its citizens, and the securing of peace.

In this spirit we are consistently continuing the unity of economic and social policy, which forms the main battelfield of our party. The economic strategy, with a view to the year 2000, gives the decisive orientation for this. The report by the Central Committee adopted by the 11th party congress, the directive of the party congress on the development of the national economy in the period 1986-90 and the speech dealing with this are the determining basis for our overall social advance.

As is seen, the decisions of our 11th party congress deeply influence the life of our people. The dynamism of development has increased. In many areas impressive results have already been achieved. In this we are always guided by the high yardsticks of the 11th party congress and we know that what has been achieved is not yet all that can be achieved.

We are therefore working on the basis of being able to continue to place great trust in the creative initiative of the people, just as the people have trust in the policy of our party. The broad discussion conducted in connection with the implementation of the decisions of the 11th party congress has assumed an extraordinarily large extent, not only in terms of the number of proposals. These ideas and solutions, and the real results already achieved in part on their basis, are extraordinarily valuable. This is already confirmed for example by the contribution made here by comrade Hans-Joachim Boehme. He reported that in the Halle Bezirk, over 700,000 working people took part in the plan discussion and submitted approximately 68,000 proposals. The climate of creative thinking and acting together marks the atmosphere. Many of the results that have derived from this are already forming the basis for the tasks contained in the documents on the 1986-90 5-Year Plan, the 1987 National Economic Plan, and the 1987 State Budget Plan.

The whole atmosphere and the constructive, forward-pointing discussion at our Central Committee session are an eloquent expression of this. We can say with complete justification: All basic issues of the policy of our party for the strengthening of socialism in the GDR and for the safeguarding of peace have been dealt with in the spirit of the resolutions of the 11th congress. This reflects the clear course of our party, its unity and cohesion, its firm course directed at the deepening of the relationship of trust between party and people.

The resolutions of the 11th congress have prompted a great mass initiative in socialist competition and in all areas of social life. It is sustained by the recognition of our country's citizens that high economic performances are a secure foundation for the policy of our party, which is directed at the well-being of the people, the all-round strengthening of socialism and the safeguarding of peace. In its turn, the unity of economic and social policy, as the key part of our party's economic strategy with a view to the year 2000, works as a strong motor. It corresponds fully and completely to the interests of the working class, the cooperative farmers, the intelligentsia, the craftsmen and tradesmen, the members of the armed forces, the young people and the veterans of labor. This course has been marking our good development for more than 1 and 1/2 decades. Dynamic growth in production and its effectiveness goes together with full employment, increasing national prosperity, high education for all, and science and culture which continue to blossom.

All this will determine even more the picture of our socialist GDR in the coming years. The steps in this direction will be laid down in the document of the 5-Year Plan for the development of the GDR national economy in the years 1986-90, which is available. This plan is the program of work of our party and all the people of the GDR from the further implementation of the resolutions of the 11th congress.

In our country, social security and reliable prospects characterize life under socialism, and motivate people's actions. Realities in the Western hemisphere speak a different language. Despite a slight economic revival over the last 4 years, the number of unemployed in the 24 most developed capitalist countries has trebled since 1970, and now totals more than 31 million. It is quite openly stated there that almost three quarters of the unemployed have a personal stigma -- they are either too old, or too long out of work. That means that they cannot obtain qualifications and thus lose the chance ever to obtain work again. According to latest information, in the EC states alone, almost half of all those seeking work fall into this category of the "no-hopers," as they are called, because they are part of the long-term unemployed.

In view of these realities, everyone can see that the fine talk of human rights, with which the politicians of western states are always ready, is not worth a light. Human rights are realized where exploitation of people by people is abolished, where the right to work and a job is guaranteed, and where the people can develop their creative strengths, talents and capabilities to their own benefit, as in our socialist GDR.

Closely linked with the deep commitment to the SED's policy, conscious activities, everywhere, in both town and country are being developed on a broad scale with the binding competitive challenge to achieve the highest economic performances in the main battle station, the unity of economic and social policy. This is reflected in the impressive balance sheet we were able to draw up in the year of the 11th congress. Thus it is of great significance that the growth in produced national income of 4.3 percent rests for the first time exclusively on increased labor productivity. Of equal value is the fact that at 8.8 percent, labor productivity in industry increased more quickly than net production with its considerable growth rate of 8.6 percent. In the construction industry too, labor productivity, at 7 percent increased more rapidly than net production, which grew by 6.2 percent.

Important achievements were produced by socialist agriculture. Despite unfavorable weather conditions, an average grain yield of 46.3 decitonnes [unit of weight as received] per hectare was achieved. The record result of last year was thus exceeded. [paragraph continues]

Comrade Siegfried Lorenz demonstrated this with the example of Karl-Marx-Stadt Bezirk, where 49.7 decitonnes of grain and 263 decitonnes of potatoes per hectare were harvested. Consumer goods worth M320 million additionally supplied, as mentioned by him, are also very important.

Top achievements by many cooperatives are already being carried out for the plan fulfillment of our agriculture. What is possible, however varied the soil readings, is demonstrated by the fact that some LPGs [agricultural producer cooperatives] on different fields have for example produced yields of 72.5 to 100.8 decitonnes per hectare of winter grain. Thus Ginst publicly-owned farm on Ruegen Island harvested 100.8 decitonnes per hectare, the Klosterhaeseler LPG in Naumburg Kreis, 93.8 decitonnes, the Ossmannstedt LPG in Apolda Kreis, 90.1 decitonnes, the Veelboeken LPG in Gadebusch Kreis, 88.7 decitonnes, the Moeckern LPG in Altenburg Kreis, 88.3 decitonnes, the Schwaneberg publicly-owned farm in Wanzleben Kreis, 88 decitonnes, the Burow LPG in Altentreptow Kreis, 87.8 decitonnes, the Blankenhain LPG in Werdau Kreis, 75.4 decitonnes and the Letschin LPG in Seelow Kreis, 72.5 decitonnes.

There are also outstanding results in the case of potatoes. The Goehlen LPG in Ludwigslust Kreis produced 602 decitonnes per hectare, the Ducherow LPG in Anklam Kreis 520 decitonnes, the Rothenschirmbach LPG in Guerfurt Kreis, 500 decittones, and the Ossmannstedt LPG in Apolda Kreis, 485 decitonnes. In the case of sugar beet, the Bottnersdorf LPG in Wanzleben Kreis harvested 640 decitonnes per hectare, the Striegnitz LPG in Meissen Kreis, 596 decitonnes, and the Langenweddingen LPG in Wanzleben Kreis, 560 decitonnes.

Even on the assumption that such yields cannot be achieved everywhere, it is nevertheless seen that our plan targets are realistic. It is important, by means of exchange of experiences, to generalize the best methods which result in higher yields.

This 5-Year Plan sets high demands because it rests on the requirements and necessities of our further social development. In this connection I would like to refer to my visits this summer to Erfurt, Soemmerda, Gierstaedt, Jena and to Karl-Marx-Stadt. What emerged so clearly at the time has overall importance for all our future work, in which we must solve fresh and greater tasks.

In my talks with workers, engineers, responsible managers, party secretaries and trade union shopstewards there was evidence of great receptiveness to the party's policy. At the same time it was understood that the decisions of the 11th congress have set new, higher yardsticks for our work. This is my assessment of the atmosphere in enterprises and combines, in agriculture, and in all other spheres.

In many areas new intellectual, moral and material preconditions have been created in order to master, with the socialist planned economy and with the combines, the key and high technologies, and to guarantee at the same time social security of improved working and living conditions. These are qualitatively new opportunities to advance the dynamic economic growth of the GDR as a basis for the further improvement of the material and cultural living standard of the people. They are at the same time greater challenges.

Such an assessment of the economic prospects for the GDR has to determine the approach to the implementation of the 5-Year Plan. This is already expressed in the tasks for the 1986-90 5-Year Plan and the 1987 National Economic Plan. It is also shown in the daily efforts made toward realizing the targets set for 1986. Increasingly we are proceeding from the premise that our undertakings call for concentrated and well-organized work everywhere. In this, the achievements of the best must be generalized and concrete help given to achieve the right pace in areas where this is still not the case.

The high pace in production and the application of key technologies is of special importance for dynamic economic growth. Thus the production of office and personal computers rose compared with the previous year by 142 percent, of solid-state integrated circuits by 27 percent, of optoelectronic semiconductors by 19 percent, of combined control devices by 19 percent, and of electronic typewriters by 37 percent. Production of robots rose by 10 percent.

With the broad application of key technologies the quality level of production rose at the same time, an issue to which we attach a special economic weight. Industrial production worth over M69 billion carries the highest quality seal. In the machine-tool sector, so very important for the automation and modernization of production, nearly 50 percent of output is produced with the "Q" quality seal, which corresponds to the highest international standards. These achievements, to which we could add achievements in other industrial areas, are at the same time linked to a lowering of costs in industry, of unit energy, raw materials and equipment costs.

Parallel with this, and this must also in future be guaranteed without fail, performances in the social area are rising., Let me just point out one important issue, such as housing construction. By the end of October, over 176,000 homes were newly built or modernized, over 26,000 of which are in Berlin. Retail trade turnover, compared with the previous year, rose by 4.2 percent, including industrial goods by 6 percent. Of great importance for social security were and are the stable consumer prices for everyday goods, as well as for rents, public utilities, fares and services. Our citizens greatly appreciate the fact that today they are paying the same prices as in the fifties for meat, butter, bread, milk and the greater part of basic foodstuffs, as also for heating, electricity, public transport fares, mail, and many industrial goods.

In accordance with the resolutions of the 11th party congress we proceed from the premise that today it is no longer sufficient to pay attention to just this or that aspect of economic activity. The tasks we face demand that we utilize all qualitative factors in the spirit of comprehensive intensification. The fundamental issue is the acceleration of the rise in labor productivity, and at the same time to raise quality and lower costs. Labor productivity must rise faster than net production in order to gain a workforce for other tasks in the national economy. The objective is to introduce new products, to make new technologies effective, and to achieve greater economic profits. With the available workforce, without additional input of energy and material, the objective is to raise output commensurate with the requirements of the population, of industry and of export.

These demands apply to all the economic targets of the 1986-90 5-Year Plan as well as the 1987 National Economic and State Budget Plan. They derive directly from our course of the unity of the economic and social policy. We pay special attention to those industrial areas which determine the pace. To combine the advantages of socialism still more effectively with the achievements of the scientific-technological revolution, which itself has entered a new stage, is our first economic strategy. We are guided by the idea that the dynamism of economic growth will be determined increasingly by the mastery of key technologies.

As we are all aware, microelectronics, modern computer technology, computer-aided design and control of production increasingly determine the output capability of a modern national economy. In close interacton with this, key technologies such as flexible automatic production systems, new refining processes and materials, biotechnology, nuclear energy, and laser technology are gaining ground in our national economy.

These are enormous challenges, and at the same time opportunities are emerging to quickly renew production, to raise its quality, and to lower input to an extent quite impossible hitherto. Here we are successfully concentrating our forces and taking into account that at an international level production forces are developing more and more quickly. We have got to win the race against time and to achieve a lead in important areas in order to achieve high economic and social results.

In important spheres, GDR combines are either fighting for top achievements or are already laying down the yardsticks for them. This is especially exempflied by the initiatives of the Zeiss workers for the development of highest-integrated circuits up to 1 and 4 megabit levels during the current 5-year plan, and the Soemmerda office machine manufacturers, who are producing an additional 10,000 personal computers for the economy in 1986.

The publicy-owned combines are the main force for tackling the scientific-technological revolution. They are increasingly combining science and production at a new level. Together with the facilities of the GDR Academy of Sciences and the higher education sector they are organizing the struggle for top international positions. That top achievements can be attained in that way on a broad base is shown by the 25 top achievements produced by the Academy of Sciences after the 11th party congress, and also by the outstanding results in science and production published by our mass media over the past few days.

It is now a matter of utilizing capacity with great efficiency. In the foreground is the aim of renewing products and technologies, with increasing economic productiveness, and thereby improving, according to plan, the range of final products for supplies to the population, for modernizing the production apparatus and for meeting foreign market needs.

Producing more quality products while increasing labor productivity, producing new products more quickly, realizing top performances quickly and, in the process, achieving good economic results, all means winning time for the all-round strengthening of the GDR, means winning time for socialism. The greatest economy of time is a demand made of all combines and enterprises in the entire economy. To meet it fully, far-reaching measures for an even closer linking of science and production has been decided. This includes the introduction of the renewal passport [erneuerungspass].

It is evident that it is particularly the young people, who, at the side of their older, experienced colleagues, set themselves the challenges of the dynamic development of productive forces. This applies to the whole field of the implementation of the economic strategy of our Party, which, one could say, has also become a militant program for our youth. We are gratified at the active work carried out here by our socialist youth organization, the FDJ.

The young people, the most active members of the youth organization, the young communists, do justice to their task in the GDR of being the shock troops and pioneers of what is new. Thus many youth research collectives perform first-class achievements in record time. We welcome this uncompromisng attitude. Yes, we must certainly focus our goals, without any deviation, on top international standards and, beyond that, push forward into new territory. The best results are achieved where the responsible managers set demanding tasks right from the start, which form the basis of the task workbook and thus become the militant program of the youth research collective concerned.

Not only are top-class performances with high economic results achieved for the republic through these measures, but at the same time, young research and worker personalities evolve who prove themselves in the struggle. As a result, the moral qualities which our republic, which socialism needs to meet its historic mission also unfold to an increasing extent.

We therefore welcome all proposals aimed at confronting students with challenging tasks and bringing young scientists at an early stage to the threshold marking the start of a venture into the as yet unknown, where they stand in the front ranks in the struggle for first-rate scientific-technical standards. Those who learn by these means to develop the courage to take risks and to bear high responsibility will, throughout their lives, be among those who actively advance our social development.

In the 1986-90 5-Year Plan the stable and dynamic economic growth will continue on a higher level. The planned growth of the produced national income speaks in favor of this. A national income of over M1.3 trillion is anticipated in these 5 years. This amounts to about M285 billion more than was produced in the period 1981-85. Over 90 percent of the growth is to be generated by increasing labor productivity. The content of our economic strategy is to speed up the increase of labor productivity. Mastery of the key technologies must manifest itself here above all.

As already stated, the unit input of raw and other materials, as well as energy, must be reduced. The proportion of production input in the product as a whole must be further reduced, which will accelerate the growth of the national income.

Primarily it is modern production processes that will bring future progress in saving materials and energy. On the other hand, it is necessary to organize as economically as possible the use of energy, raw material and materials in the economic cycle. Waste products must be recycled.

Our energy requirements are increasing. The most important way of fully satisfying them is the rational use of energy. For that reason it is necessary this winter, too, to be disciplined about maintaining and undercutting energy quotas, particularly for electricity. It is necessary for us to orient ourselves in all areas of production and social life and in all regions to this significant question as regards our economic growth. The rational use of energy and the halt to any waste are a precondition for providing stable supplies of energy to the population and the economy in lengthy cold periods.

The 5-year plan sets the task of achieving significant savings in economically important raw materials, materials and energy sources. This involves rates which, as a result of the high level already achieved, are of international standards. I would like to recall only the target of reducing the unit consumption of rolled steel in the metal processing industry by an average of 7.5 percent annually, and in the construction sector by an average of 6.7 percent per year.

The application of the key technologies also makes it possible to achieve a higher level of refining of all available raw materials, materials and energy sources. For instance, the proportion of chemical products with a higher level of refining is due to increase from 35 percent of the total production of the chemical industry in 1985, to 40 percent in 1990. This involves an increase in the yield of light [helle] products in crude oil processing to 75 percent.

The proportion of highly refined products in the production program of the metallurgical industry is to increase to 90 percent, while the re-use of secondary raw materials and industrial waste products is to increase from 30 million metric tons in 1985 to 35 million metric tons in 1990.

During their visit to the Leipzig Autumn Fair, the members of the Politburo were able to note that the key technologies are as a result of significant economic results determining the work of our combines. From the visit to the Carl Zeiss Jena combine there emerged recognition of three points which are of general significance in this.

1. Introducing key technologies means coming to grips with the highest international standards and making this genuinely expressed in the quality and in the costs of production.

2. Both new products and highly productive automated technologies for their production are involved. Both must be united.

3. It is clear that the interaction of the key technologies must be mastered. Where microelectronics are applied, new materials are also involved. Where new materials are involved, biotechnology must be taken into account. Where one speaks of biotechnology, this again requires highly precise electronic equipment technology based on microelectronics. It is only in this complexity that the task of making the key technologies in their full scope, the basis for the development of our national economy, can be achieved.

How seriously we take this subject is shown by the high rates of increase which are at the basis of the 5-year plan in these progressive areas. For instance, in microelectronics the production of unipolar circuits is due to rise by 47 percent, and that of bipolar circuits by 20.6 percent on average annually. The development and production of special technological equipment for microelectronics is to increase annually by 12 percent. It is necessary to bring into operation and use effectively 90,000 CAD/CAM work stations and 80,000 industrial robots. Biotechnology production is to triple.

Therefore, regarding the qualitative growth factors we are clearly aiming at the acceleration of pace. We seek to speedily achieve a quality production which meets high international standards. The annual production renewal rate is to be 30 percent, and for consumer goods 30-40 percent.

All our plan projects attach great importance to socialist rationalization. It is the main path in order to raise labor productivity, on the basis of key technologies, to an extent hitherto unknown. This was vividly shown in the debate by the example of the Manfeld "Whilhelm Pieck" combine, where a production increase of M140 million was achieved, allowing 150 workers to be released for other tasks, In this connection the great weight which is attached to the great extent of plant utilization was rightly emphasized.

The quality in-hours construction of rationalization equipment by the combines must develop speedily. It is increasingly being developed into an important material-technological basis for the broad application of key technologies, and the most important support for the modernization and automation of production. Therefore, the in-house construction of rationalization equipment of the combines is to be increased annually by over 13 percent.

One decisive characteristic of the change of the material-technological basis of the national economy during the 5-year plan is the broad development and application of automation technology. The plan is to set up by 1990 in the metal-processing industry at least 60, and in other branches of the national economy at least 35, complex automation projects. These automation projects are intended to become the pacemakers of productivity and efficiency. It was reported on our television a few days ago how the Meuselwitz heavy engineering firm is being purposefully developed into an automated enterprise and how the workers and engineers are creatively shaping this process.

Our economic strategy, with a view to the year 2000, aims at greater work efficiency. Many things are closely related. It is especially important to cut production times in significant dimensions and to lower production inputs. To this must be added the greatest possible utilization of fixed assets.

The objective in the processing industry is to achieve, for important production equipment a capacity utilization of 17.5 hours per calendar day by 1990. For the heavy investment branches of the basic industry fixed assets must achieve a capacity utilization of 18-20 hours per calendar day. At the same time the capacity utilization of all fixed assets, especially of machines and machine tools, must be raised to a higher level across a broad range. Compared with the present level, capacity utilization is to be raised by 20 percent.

All this must lead to considerable annual reduction rates of prime costs. For industry, a planned 2.2 percent, for the construction sector 2.1 percent, and for unit transportation costs of the national economy, a lowering of 3.2 percent.

In order to successfully realize the 5-year plan, investments must be managed very effectively. We are emphasizing this as the Politburo recently had to deal with a number of capital projects which were in danger of not being completed on time or within the planned parameters.

In our planning we expect that from each investment the scheduled products will be made available on time and in the right quality and quantity. The accounts of the National Economic Plan demand high efficiency of each project in order to help guarantee the growth of national income and, if possible, to exceed it. Here, strict state discipline is called for. Let us underline the objective of lowering unit construction input by 10 percent and of cutting construction times by 15 percent.

The dynamic economic growth sought with our economic strategy is being increasingly influenced by the interaction of the economy and other social areas. First, the reciprocity of science and production must be mentioned. Socialist education and its further development are exerting a great influence on the economy.

In line with the rise in output, the people's living standards are improved as planned. From 1986-90, 1,064,000 homes will be newly built or modernized. Thus the housing question as a social problem is being solved as intended. With view to the 750th anniversary of Berlin, magnificent building projects which are linked to the further worthy development of the GDR capital as the political, economic and intellectual-cultural center will be tackled. This applies to the overall housing construction sector, as well as projects in industry, science and culture, the development of urban technology, and transportation.

The real per capita income of the population will rise by over 21 percent by 1990. Net monetary incomes and commodity turnover will rise on average by 4 percent annually.

We attach great importance to the development of consumer goods production. This is a concern of the whole national economy. The objective is to produce consumer goods which correspond to the population's demand of high quality goods in sufficient number. In the realization of the resolutions of the 11th party congress, noticeable progress was achieved in providing the population with services, repair and after-sale services. This path must be continued consistently. Our plans are based on an annual growth rate of 5 percent for repair and other services for the population.

At the 11th party congress we were able to note that the GDR has at its disposal a well-functioning, efficient, dynamic and flexible system of the socialist planned economy. With it we carried out the change toward the intensification of the national economy. It is the basis for successful development today and in the future. Its shaping in the GDR is determined by the course of the main task in its unity of economic and social policy.

Management, planning, and economic accountancy are a firm component part of our economic strategy. We are perfecting it steadily and logically. In this we take account of the dynamism, the challenges of our time. The further development of the socialist planned economy is essentially always aimed at combining the advantages of socialism effectively with the achievements of the scientific-technological revolution.

Our party continues the proven practice to react in good time to emerging problems and to promote in the long term the dynamic development of the productive forces by organizing the socialist production conditions. Proceeding from public ownership and cooperative-socialist property, the principle of democratic centralism is being realized uncompromisingly. We will strengthen central management and planning as the essential advantages of socialism.

Just as essential for us is the broad democratic cooperation of the workers and of all our country's citizens in the management of the state as of the economy. The active cooperation of workers in the socialist mass competition movement, their democratic participation in the comprehensive plan discussion, the broad application of socialist enterprise management, and the precise comparative performance appraisal testifies to this.

Our principle is to link central management and planning even more efficiently with the individual responsibility and creative initiative of the economic units and territories. Good preconditions exist for this.

A number of basic factors have long proved themselves in the efficient functioning of our economy. This is, firstly, a modern, effective system of economic management, with combines as the backbone of the socialist planned economy. Linked to this is central state planning and the matching of supply and demand, which is continually being improved and which we are at present putting on a computer-aided footing throughout. The economic self-responsibility of the combines and enterprises plays an important role in high efficiency, whereby economic accounting, particularly the principle of self-generation of resources, is consistently applied.

One can say today that the establishment and further shaping of the combines was of decisive importance for the successful switch to intensification. These large economic units are in a position to master complex economic projects from their own resources. [paragraph continues]

They have at their disposal all the necessary intellectual, material and financial capacity. The cycle of intensively expanded reproduction is largely closed in the combines. On the basis of the plan, all the important phases of the reproduction process are uniformly managed.

The introduction of the renewal passport from 1987 will provide director-generals with a further important instrument of management for this. The close linking of science and production in the combines is extended through economic contracts for research cooperation with the Academy of Science and the universities and colleges. One can already state that the decisions made on this have met with a broad response and have opened wide the gates to a fundmental acceleration of the intensification process. Thus about 50 percent of the capacity of the Academy is now linked to combines through performance contracts. The combines thus also possess the broadest base for an economically-effective application of the key technologies, the decisive area for the mastery of comprehensive intensification.

It has now shown to be very important that the work of the combines, with the four main indicators of performance assessment, is channelled into contributing, through intensively-expanded reproduction, to a high growth of the national income and of achieving the greatest possible distribution of economic end product. It is all the more important, therefore, to fulfill plan targets with a high degree of discipline in terms of quantity, range, quality and with the stipulated input. The realization of performance growth with largely constant material resources is one of the premises of our plan. Those who undermine it will inevitably harm the economic reproduction process.

In the last few days the Politburo had to deal with the inadequate supply of cement to the economy. On examination it emerged that in the middle of the year decisions had been made to temporarily reduce cement production by 300,000 metric tons. Measures for the full utilization of producton capacity were not laid down soon enough, measures which would have made possible improved supplies for industry, agriculture and the population. Added to this was the nonfulfillment of the reduction, stipulated by the plan, of the unit input of cement in a series of centrally and locally managed construction combines. As a result, there was an additional consumption of 37,000 metric tons up to the end of September. It also emerged that the measures introduced in 1986 by the Construction Industry Ministry to raise production by a further 50,000 metric tons, and for strict adherence to the cement supply stipulated for the months of October and November, were not sufficient to safeguard stable cement supplies.

This once again proves that stable material and technical supply makes two demands: The necessary increase in performance, and adherence to the planned financial resources and to the planned reduction of material consumption. Overall, inspection showed that those comrades responsible did not take the measures which were possible and necessary in view of the situation which had arisen, neither at the right time, nor to a sufficient extent, nor with the necessary consistency.

From the failures in this field, the conclusion is generally to be drawn that the process of economic reporduction, with all its complicated interrelations, must be analyzed accurately from day to day and with regard to the future, and that it must be managed in such away that the all-round fulfillment of the plan targets is guaranteed.

A valuable help in this will be the introduction of universal computer-aided assessment in all fields of production; this is to be completed by the end of 1987. This is one of the most important measures the Politburo has decided on for the further training of management, planning and economic accounting personnel.

Here, completely new possibilities are opening up of controlling the proportional development of the national economy and its growing interrelations in an even better way by means of the use of modern computer technology, particularly in the unity of utility value and value. This also means that the economic self-responsibility of the combines and enterprises for fulfillment of the plan tasks will be increased. This aim is also served by the further expansion of the principle of self-financing of investments. Economic accounting will thus in the future be even more closely connected with the cycle of intensively expanded reproduction.

In the application of the principle of self-financing of investments, we see a basic way to better coordination of the relationship between output for society and supply of financial resources by society.

The proven course of arranging economic accounting with its categories -- costs, price, profit, credit and interest -- in such a way that what is advantageous for the combines and enterprises also benefits the national economy, will thus be continued at a qualitatively higher level. While perfecting central state management and planning, and at the same time increasing the self-responsibility of the economic units, we are directing the work of all parts of the socialist planned economy in unity toward the interests and requirements of society as a whole, and toward the most effective execution of all tasks.

The firm foundation of the realization of our plans is the deepening of socialist economic integration with the USSR and the other member countries of the CEMA. In the Politburo we have undertaken a thorough assessment of the economic and scientific-technological cooperation between the GDR and the USSR based on the decisions of the 11th Party Congress, and we have discussed new proposals for the period up to 1990 and beyond. The analysis proved once again that the extent of our cooperation and the depth of the interrelation of a large number of branches of the national economy of the GDR with those of the USSR are unique in the world. The GDR and the USSR are together tackling great plans for the future, as principally contained in the "Long-term Program of Development of Cooperation Between the GDR and the USSR in the Field of Science, Technology, and Production for the Period up to the Year 2000."

For the period 1986-90, a volume of mutual trade of over M380 billion has been agreed. This corresponds to an increase of 28 percent compared to the previous 5-year plan period. The USSR is supplying important raw materials to the GDR to the same extent as in the previous 5-year period. Stable raw material supplies from the USSR have always been of vital importance for the national economy of the GDR. To secure raw material purchases from the USSR, the GDR is participating in investment projects such as the construction of the Yamburg gas pipeline. At present, 13,000 construction and assembly personnel from the GDR are working in the USSR.

The dynamism of our mutual relations rests to an increasing extent on research and production cooperation, which encompasses nearly all branches. The basis of the agreements on trade is an increase and qualitative further development of GDR deliveries of machinery and equipment to a high scientific-technical standard. In the sphere of microelectronics, for example, the close cooperation is marked by an extremely high dynamism of mutual deliveries. GDR exports will amount to a volume of M4 billion in the period 1986-90. The USSR's deliveries will increase to M7 Billion in the same period.

The GDR provides comprehensive supplies and services for the solution of socioeconomic tasks of the USSR. In parituclar we are increasing our contribution to the Soviet food and consumer goods program. In 1986-90 the GDR will export machinery and equipment for the USSR's agrarian-industrial complex to the tune of over M40 billion. The deliveries of consumer goods will increase from M23 billion in the period 1981-85 to M33 billion in the period 1986-90.

It must be particularly emphasized that the programs and concrete agreements agreed between our countriese are to an increasing extent characterized by the requirements of the highest scientific-technical standards and the intensification of production. Thirty-three Branch Programs on Cooperation between the ministries and 167 government and ministerial programs from a stable and long-term basis of cooperation. Over 100 governmental and ministerial agreements contain the development and application of leading technologies and the most up-to-date products.

We are thereby at the same time making an important contribution to fulfilling the CEMA complex program of scientific-technical progress. The tasks derived from this for the GDR are a firm element of our plans.

Our party regards the steady deepening of this cooperation as a decisive guarantee of the stable development of the GDR economy and will continue to promote and advance it in future with all its resources. My meetings with Comrade Gorbachev on the occasion of the 11th SED Congress and in Moscow showed that full agreement exists in the basic questions of further cooperation in the scientific-technical and economic sphere. The agreements from an excellent basis for a qualitatively new phase in our relations.

We want to further deepen our cooperation in line with joint suggestions in the following important complexes:

-- Deepening of basic technologies for very large-scale integrated circuits, special technological equipment and materials for microelectronics,
-- Development and application of electronic computer technology and of CAD/CAM solutions,
-- Application of highly-effective technologies in metal-working, including laser technology,
-- Production of new materials, especially in the sphere of technical ceramics, processing metallurgy and polymer chemistry,
-- Broad application of biotechnology processes in agriculture and the microbiology industry,

-- Creation of modern digital communications technology and optical fiber systems.

Of extremely great importance is the solution of the jointly-set task of creating preconditions in the sphere of microelectronics for the development and production of special technological equipment and technologies for the 1- and 4-megabyte memory circuit.

Our joint proposals also envisage new steps toward cooperation in the sphere of training and further qualification of scientists and specialists. This is an important contribution to mastering key technologies. Management cadres in the economy and science are to gain further qualifications at special further training institutions in our countries and through direct deployment in combines and associations.

The agreements comprise practically all important areas of science and technology and are aimed at a qualitative deepening of the cooperation in the various branches of the national economy.

We attach great importance to the agreements recently signed between the Soviet Union and the GDR. With them, direct relations between combines, enterprises and organizations of the GDR and associations, enterprises and organizations of the USSR, and the setting up of joint teams of specialists of the GDR and USSR were agreed. These agreements open up new opportunities to achieve, through the scheduled pooling of intellectual and material forces of our countries, a high growth in national incomes, and the highest possible economic effects for the national economies of our countries. They aim at the active cooperation of combines, associations and enterprises in order to quickly achieve top scientific-technological performances, and to renew production ranges and rationalize production.

In the development of direct relations between combines, enterprises and organisations of the GDR and associations, enterprises and organizations of the USSR we can proceed from a broad base. Practically all of our combines have been maintaining long-term relations with partner associations in the USSR. Now the signed agreements will provide the basis to shape the direct relations still more effectively for mutual benefit.

The relations with the other CEMA countries will similarly be developed with an eye to the future. For the deepening of the economic and scientific-technological cooperation, the GDR has agreed to programs of cooperation in the spheres of science, technology and production to the year 2000 with the People's Republic of Bulgaria, the Socialist Republic of Romania, the CSSR, the People's Republic of Hungary, and the People's Republic of Poland. They were signed by the general secretaries or the first secretaries of our parties.

With the Republic of Cuba there exists agreement on a program of long-term economic and scientific-technological cooperation. During my visit to the Mongolian People's Republic a long-term program was concluded. A program to the year 2000 is in preparation with the Socialist Republic of Vietnam.

Thus the guidelines for the further development of economic relations have been laid down over a long period with all CEMA member countries. In the forefront is cooperation in the development of key branches of our national economies. Through the joint economic committees, planning organs, ministries and enterprises of our countries, steady work is done for the realization of the stipulations contained in the long-term programs.

With the results of the coordination of national economic plans and the long-term trade agreements for the period 1986-90 concrete agreements are available for the first stage of our future cooperation. Dynamic growth of trade is planned, based on the continuation of the proven line of the division of labor. At the same time it will be increasingly determined by new projects for the implementation of intensification.

Also in the coming years the GDR will continue its support for the Republic of Cuba, the Mongolian People's Republic and the Socialist Republic of Vietnam. For the period up to 1990, firm agreements were made for and firm promises given on the substantial deepening of cooperation. Our supplies to those countries serve to strengthen their economic potential, especially through our cooperation in the creation and modernization of capacities in industry and agriculture.

During the friendship visit to the PRC we concluded an agreement on economic cooperation between our countries in the next 15 years, which serves the expansion of economic and scientific-technological cooperation.

The 1986-90 5-Year Plan which was discussed here in detail over 2 days, and which will be passed on to the People's Chamber contains great targets for the further development of our socialist GDR. We are concentrating our powers on successfully maintaining our position among the leading industrial states of the world and to use in this spirit the most modern achievements of science and technology for the prosperity of the people. We are convinced that the workers will consider this plan as their work program, and realise it with drive, creativity and energy.

BRIEFS

ANC DELEGATION VISIT -- On 14 November Kurt Hager, member of the Politburo and secretary of the SED Central Committee, received a delegation of the African National Congress [ANC] of South Africa led by Henry Makhgothi, member of the National Executive Committee and secretary for education. Problems of education, particularly public education, were discussed during the talks. The ANC delegation acquainted itself with the results of the SED's school policy in Magdeburg and visited the "School of Friendship" in Stassfurt. Participating in the exchange of views were Lother Oppermann, head of the public education department of the SED Central Committee, and Nelson Miya of the ANC mission in the GDR. [Summary] [East Berlin NEUES DEUTSCHLAND in German 15-16 Nov 86 p 2 AU]

BCP DELEGATION VISIT -- Werner Eberlein, member of the Politburo of the SED Central Committee and first secretary of the Magdeburg SED bezirk leadership, met with a study delegation of the BCP under the leadership of Vasil Momov, first deputy head of the section for ideological policy of the BCP Central Committee, which paid a visit to the bezirk. The delegation, which familiarized itself with the SED's experience in political and ideological work during its study visit, conducted talks at the SED Central Committee with SED Central Committee members and department heads Heinz Geggel and Klaus Gaebler. [Summary] [East Berlin NEUES DEUTSCHLAND in German 15-16 Nov 86 p 2 AU]

IMPLICATIONS OF U.S. EXCEEDING SALT II EXAMINED

LD282354 Budapest Domestic Service in Hungarian 2120 GMT 28 Nov 86

["10 Minutes of Foreign Politics" program; conversation between Istvan Kulcsar and Jozsef P. Szabo, Budapest radio journalists]

[Excerpts] [Szabo] We have known for days that the United States was about to breach the SALT II agreement with the deployment of the 131st B-52 strategic bomber capable of launching cruise missiles. [passage omitted]

What motivates the Reagan administration in its decision to breach the SALT II agreement?

[Kulcsar] Quite simply the fact that the United States wants to continue the arms race and it is not inhibited by the restrictions, or, rather, it wants to rid itself of them.

[Szabo] American radio and television and, naturally, also the Reagan administration, have said on various occasions recently that it is not the United States but the Soviet Union which is breaching the SALT II agreement, that is, that the Soviet Union breached it first.

[Kulcsar] Yes, although the American side has not said that the Soviet Union deployed more missiles or submarines than is permitted by the SALT II agreement, there have been references to the Soviet Union having developed new missile systems. The agreement makes possible the development of a certain number of new missile systems, if I remember right, one each year. The Soviet side gave a very clear answer to this at various consultations, they demonstrated, attempted to prove, that they were observing the stipulations of the agreement. I am convinced that all this was just an excuse for the American side to exceed the agreement quantitatively and substantively.

[Szabo] The first Soviet reactions have been rather restrained. However, they did say that the Soviet Union could naturally take the appropriate steps in response, even though it would not be hasty in implementing them. What countermeasures are possible?

[Kulcsar] The Soviet Union can also go beyond the limits laid down in SALT II, that is, it can deploy new missiles, can develop new missiles, can deploy more submarines and so on. In other words, it does not regard itself bound any longer by the quantitative and qualitative restrictions which it accepted within the framework of SALT II. This is perfectly logical.

[Szabo] How far will this American step influence the current talks on arms limitation? I have the Geneva talks in mind.

[Kulcsar] Naturally, it will influence them. There is no absolutely direct link but this step shows the developmental trend pursued by the United States. It would be rather difficult to envisage that in one area they are increasing their level of armaments, while they want to reduce it in other areas. Unfortunately there is nothing to indicate the latter.

[Szabo] Do we know what stance the NATO partners of the United States are adopting?

[Kulcsar] I think that they are not very enthusiastic about this American step. There are issues where the Western European NATO allies, on the basis of their own narrow interests, or what they perceive them to be, are perhaps even more extreme than the United States. This applies, for example, to the so-called zero option, the elimination of medium-range missiles. On the SALT II issue, however, they are not, so to speak, directly concerned, or rather, it is in their interest that the arms race shoud not continue, or at least not at the rate which might come about now, in the wake of SALT II having been thrown out.

[Szabo] A great deal has been said lately about the United States having retreated from the Reykjavik working summit, while the Soviet Union is insisting on its own Reykjavik package. Now how does the breaching of SALT II relate to this package?

[Kulcsar] It is not connected absolutely directly; after all, SALT II is an earlier agreement and the package contains new Soviet ideas or at least ideas which are put together in a package in a new way. In other words, there is do direct connection but, as I have said, if in one sphere the United States will pursue strategic armament when it would be strange and contradictory if it did the opposite in another area. It could do so but it is hardly likely.

[Szabo] This gives rise to the question of whether it is likely that this American step will lead to a stepped-up arms race.

[Kulcsar] It is difficult to know to what extent the Americans will go beyond the limits laid down in SALT II and what the Soviet reaction will be. One thing is certain: This step will not lead to a deceleration in the arms race.

LAZAR, HAVASI MEET WITH USSR'S SILAYEV

LD290642 Budapest MTI in English 2104 GMT 28 Nov 86

[Text] Budapest, November 28 (MTI) -- Gyorgiy Lazar, chairman of the Council of Ministers, met Ivan Silayev, visiting vice-chairman of the Soviet Council of Ministers, in the Parliament building on Friday. Present at the cordial, friendly meeting was Laszlo Marothy, deputy-chairman of the Council of Ministers.

In the course of the day Ferenc Havasi, member of the HSWP Political Committee and secretary of the Central Committee, also met Ivan Silayev. Boris Stukalin, Soviet ambassador to Hungary, attended both meetings.

Ivan Silayev had talks with Laszlo Kapolyi, minister of industry, and visited the Central Research Institute for Physics.

The Soviet deputy premier and his party left Budapest on Friday. The delegation was seen off at Ferihegy Airport by Laszlo Marothy. Present was Boris Stukalin.

PRESIDENTIAL COUNCIL GREETS ALBANIA ON NATIONAL DAY

LD290654 Budapest MTI in English 2117 GMT 28 Nov 86

[Text] Budapest November 28 (MTI) -- The Presidential Council of the Hungarian People's Republic sent the following telegram to the Presidium of the People's Assembly of People's Socialist Republic of Albania:

"We are sending our best wishes and regards to you on the occassion of the national day of the People's Socialist Republic of Albania. The Hungarian People's Republic will be striving for a development in all areas in the relations between our peoples for the sake of socialism and peace. On behalf of the Hungarian working people we wish the Albanian people building socialism further successes on the 42nd anniversary of its liberation. [no closing quotation marks as received]

LEADERS CONGRATULATE SFRY ON NATIONAL DAY

LD290042 Budapest MTI In English 2034 GMT 28 Nov 86

[Text] Budapest, November 28 (MTI) -- On the occasion of the National Day of Yugoslavia Janos Kadar, general secretary of the HSWP, Pal Losonczi, president of the Presidential Council of the Hungarian People's Republic, and Gyorgy Lazar, chairman of the Council of Ministers of the Hungarian People's Republic, congratulated Milanko Renovica, president of the Presidium of the Central Committee of the League of Communists of Yugoslavia, Sinan Hasani, president of the collective Presidency of the Socialist Federal Republic of Yugoslavia, and Branko Mikulic, president of the Federal Executive Council of the Socialist Federal Republic of Yugoslavia.

The telegram stresses among other things:

The Hungarian working people appreciates the significant results of the peoples of Yugoslavia, achieved under the leadership of the League of Communists of Yugoslavia. We sincerely wish you to implement the resolutions of the 13th congress and achieve further results in the construction of a socialist society, increasing your country's material and intellectual power, and protecting peace and strengthening international security and cooperation. We note it with satisfaction that our countries' friendly, good-neighbourly relations and comprehensive cooperation develop fruitfully in all walks of life and serve the interest of peoples constructing socialism.

Istvan Sarlos, president of the National Assembly, congratulated Ivo Vrandecic, president of the Federal Assembly of Yugoslavia. The Central Council of Hungarian Trade Unions, the National Council of the Partriotic People's Front, the KISZ Central Committee, the Federation of Hungarian Anti-Fascists and Resistance Fighters, the National Peace Council and the National Council of Hungarian Women also congratulated their partner organizations in telegrams.

PPF DELEGATION VISITS SUB-CARPATHIA 24-27 OCT

WA261200 Budapest MAGYAR NEMZET in Hungarian 29 Oct 86 p 3

[Text] A large contingent of national, area, and local Popular People's Front [PPF] leaders took part in a research visit to the Sub-Carpathian area of the Soviet Union between 24 and 27 October.

The delegation was informed about the implementation of the decisions of the 27th CPSU Congress. They visited the university where they spoke to professors and students and met with Hungarian students among them. The delegation exchanged views with media leaders, including television and radio editors, as well as with editors of the Hungarian-language Karpathia Book Publishers. The first secretary of the Sub-Carpathian Party Committee, G.J. Bandrovski received Robert Ribanski and Jozsef Garamvolgyi, secretaries of the national office of the PPF. He also received Gyula Rapai, vice-president of the Hungarian Soviet Friendship Society.

The PPF delegtion visited Munkacs, Vinograd (Nagyszollo) District and Petrovo (Peterfalva) Border Guard kolkhoz. Andor Biro, the president and representative of the Supreme Soviet of the Ukrainian Soviet Socialist Republic and Hero of Soviet Labor, showed them the large agricultural enterprise which guarantees a high and substantial standard of living for the population of five villages.

COUNCIL OF MINISTERS DISCUSSES SOCIAL ISSUES

LD280007 Budapest MTI in English 1904 GMT 27 Nov 86

[Text] Budapest, November 27 (MTI) -- The Hungarian Council of Ministers met in session on Thursday. It heard a report on the protection of marriages and families and other issues related to the improvement of the conditions of bringing up children and decided that in the near future the Council of Ministers should be provided with a plan for actions. The government has set up a rehabilitation fund to assist the reemployment of workers with a changed working capacity. Then the government also discussed other issues.

Following the session of Council of Ministers, Government Spokesman Rezso Banyasz gave a press conference on the issues of the agenda of the session. Among other things he spoke about the investment project in Tengiz, the Soviet Union. He recalled that last year an intergovernmental agreement was signed, under which the Soviet party would be willing to deliver 2,000 million cubic metres of gas annually on top of the amount drafted in other contracts, from 1992 to the year 2008. In return of the deliveries, Hungarians will construct a crude oil and natural gas processing plant and a desulphurization plant on the shore of the Caspian Sea. Construction work has started this year and is expected to finish in 1991. At present 1,500 Hungarians are working on the site and after completion of an industrial basis 5,000 Hungarians will work there. Main contractor Vegyepszer subcontracted 26 Hungarian companies and is properly staffed on site.

On labour surplus and shortage the government spokesman stated that local councils want workers in 75,000 jobs. For years they have been unable to stop labour shortage in certain jobs and trades using local resources, therefore they are compelled to employ foreign workers on certain jobs in mining, metallurgy, the textile and the construction industries. At present 13,000 foreign guest workers are employed in Hungary, and no increase in number is planned.

Answering a question on the ageing of car stock in Hungary, Rezso Banyasz stated that the average car age in Hungary is 8.5 years, which is relatively high. At present an annual 100,000 cars come from the socialist countries and plans include a 20 to 25 per cent increase until 1990. The average car age should be reduced to 6 years by the turn of the century at the latest. By the year 2000 car stock should be increased by 2.1-2.5 million, with some 2 million cars scrapped. To achieve this target some 170,000 to 180,000 cars should be bought annually between 1990 and 1995, and then 230,000 to 250,000 a year. A certain proportion of those cars might be assembled in Hungary and the government is seeking to find other customers as well besides its socialist suppliers.

BERECZ SPEAKS AT INTERIOR MINISTRY PARTY MEETING

LD252207 Budapest Television Service in Hungarian 1830 GMT 25 Nov 86

[Text] The Ministry of Interior party committee has remembered at its ceremonial session a historical event from 30 years ago, the defense of socialism. In his introduction, the committee first secretary reminded his audience that it was precisely today that the Presidential Council awarded the successor of the Revolutionary Special Police Regiment, the Revolutionary Police Regiment, with the "Order of Merit of the Red Star."

Central Committee Secretary Janos Berecz, greeted at the festive session those participants of the struggles 30 years ago who were present at the meeting, stating that socialism means the entire people; it ensures the life of these people and the prevalence of their democratic rights. This is the aim as well as the content of socialism. But, moments can come about when it is the power itself, the defense of order, and the system which becomes first priority.

Recalling the past, he remarked that the gradual erosion and sliding in the wrong direction greatly endangered power and that cricitizing with arms is the sharpest criticism of all. In 1956 we witnessed this kind of criticism; we were participants of it. [as heard] At the same time, he noted that historical revision is out of the question. The party has defined the historical conclusions of the 1956 events and this does not need revision. The task of a well-trained force of arms today is to be a sure foundation and pillar of our balance and socialist national unity.

TRADE UNION COUNCIL EXAMINES BUDGET, PLAN

LD260154 Budapest Domestic Service in Hungarian 1730 GMT 25 Nov 86

[Text] The National Council of Trade Unions [SZOT] discussed the resolution adopted at last week's session of the MSZMP Central Committee and next year's plan. Tibor Baranyai, general secretary, stressed that the work of economic management must be improved, the effectiveness of production increased, and there must be an effort to create a better harmony between performance and wages, including the incomes that flow out in various entrepreneurial forms. Respect for the main working hours must be asserted; the conditions of innovative work done by individual initiative must be improved; manifestations in incomes and life styles that offend society's sense of justice must be repressed. The trade unions will strengthen their work of protecting and representing interests and will continue to contribute to the formation of adequate decisions and their realization, said the SZOT general secretary.

Afterward, on the basis of the proposal of Secretary Sandor Nagy, they debated the trade union stance connected with the main outlines of next year's plan. In its entirety the system of means serving the realization of the plan is changing satisfactorily. The trade unions support the government's effort that performance and incomes should be more in harmony. They consider the safeguarding of the standard of living and the improvement of living and working conditions to a modest extent to the important. They are of the view that it will be necessary next year to centrally reduce a few wage disproportions that have been awaiting a solution for some time. Special attention will have to be devoted to following the situation of those on welfare benefits and social security welfare; measures are necessary in the sphere of the elderly and those on low pensions for safeguarding the real value of benefits.

In its stance the SZOT has adopted the objectives and more severe conditions of next year's plan, including the fact that we have no resources for raising the standard of living. The SZOT is strong in its awareness that the central political and administrative units continually place on their agenda the tasks connected with the development of the economy, that they take the necessary measures without delay, and that they elaborate a program of action that promotes the emergence from our economic difficulties.

PPF CONSTITUTIONAL COUNCIL DEBATES REFERENDA USE

AU292246 Budapest MAGYAR HIRLAP in Hungarian 20 Nov 86 p 3

[Report by Balazs Stepan: "In the Spirit of Improving Socialist Democracy -- Debate on Local Referenda"]

[Excerpts] Yesterday [19 November] the Constitutional Council of the PPF Presidium held a conference on one of the forums for improving direct democracy. Article 30 of the Constitution provides for referenda, but so far no high-level statute has been created on the following details concerning local referenda: In what circumstances, at whose suggestion, and on what questions should or could a referendum take place?

The local referendum is not at all a new institution of public law, yet in our country, it has become a main topic for society only very recently. This is above all due to the introduction of the regional development contribution and the public debate on preparations for amending the election law. On the basis of a long and silent interest, the PPF congress presented the issue of referenda to the public last year. [passage omitted]

In his speech Dr Gyula Fonyo, deputy chairman of the Council Affairs Office of the Council of Ministers, called attention above all to the fact that the issue of local referenda cannot be analyzed separately from its relations to society. First of all, it is necessary to lay down the relationship of a referendum to other forums of direct local democracy, to village councils, to group meetings, and naturally, to the representative agency, the council. There must be a clear-cut decision on what issues may be submitted for voting and by whom, and whether the one who submits the issue in such a case would transfer his authority to the results of the votes in regard to a particular area or only in regard to some occasional matters. The deputy chairman also emphasized that this voting and the election of councillors did not have the same goals. Thus, a referendum is only worth conducting within the framework of special circumstances.

The question of the legal status of the law concerning referenda appears to be a formal issue, but people referred to it several times during the debate, and one cannot ignore this question at all. According to the draft, the issue should be made public in the form of a legal decree and not as a statute. However, several people were against this, saying that recently a great number of long-term and forward-looking measures were created mainly as legal decrees, although the cases referred to were ones in which statutes were needed. This is all the more so because these measures regulate the basic rights of citizens.

Several people suggested that not only local referenda but national referenda should also be put on the agenda because they are similar institutions in spite of their different political effect. [passage omitted]

It also seems to be expedient to specify certain issues that could only be decided by this forum, instead of merely giving the councils the right to decide on the issues they wish to make subject to a referendum.

We are talking here about local referenda. The question is, however, to what extent the national interests will coincide with the result of the voting. Where is the limit and how far can "the will of the people" go, or could it be limited at all? The draft has also proposed to coordinate the motion for a referendum with the bodies exercising power in the central, regional, or state administration. [passage omitted]

The committee will forward the suggestions and proposals voiced during the session to the concerned bodies, urging the continuation of the debate with the participation of local party and council bodies.

CONTROL COMMISSION EXAMINES TRUCK-SELLING SCHEME

AU251030 Budapest NEPSZABADSAG in Hungarian 22 Nov 86 p 11

[Excerpt] The Central People's Control Commission held a meeting on 21 November. The Commission discussed and approved the control plan for next year and decided to submit it to the government for approval. Then, the body discussed other affairs.

At the request of the Supervision and Control Department of the Transport Ministry, the people's controllers conducted an inquiry into the affair of the trucks discarded by the Volan-1 enterprise and purchased and resold by the Dozsa Agricultural Production Cooperative of Tortel. It was concluded that the enterprise management of the Volan 11-unit and the Dozsa Cooperative had not complied with current regulations. Contrary to their true technical condition, the trucks were presented as being in a considerable state of deterioration and worn out. Accordingly, the prices were set at an unrealistically low level. In several cases, the vehicles were sold very cheaply to persons designated by the Volan Enterprise.

The inspection also revealed a practice follwed at the cooperative according to which the trucks designated to be dismantled are purchased according to peices and weight without any record being made of the quantity and state of the materials and spare parts disassembled. Thus, it is not possible to audit the existing bills. Characteristic of the shortcomings in the record-keeping is the fact that the chairman of the Dozsa Agricultural Cooperative estimated the stored parts as being worth 15 million forints whereas the head of the dismantling unit thought they were worth 5 million forints. As a result of all this, it cannot be concluded whether the trucks, operational until sold at Volan at scrap prices, were indeed taken apart or were sold as complete vehicles.

As a result of the inspection, the People's Control Commission initiated measures to restore the legal situation and prevent any possibility of abuse, and it issued a report on the responsible persons strongly suspected of having committed a crime. [passage omitted]

TRADE UNION CONGRESS CONTINUES DEBATE

LD292303 Warsaw PAP in English 2200 GMT 29 Nov 86

[Text] Warsaw, Nov. 29 -- The Polish Trade Union Congress reviewed the draft statute of the all-Poland Alliance of Trade Unions OPZZ here this morning.

The draft was prepared following several months of discussions in the trade union movement by the Statutory Commission headed by Anatol Wasiljew. The discussion reaffirmed the need to correct some solutions of the statute of the alliance so threat the democratic procedure of decision-making be maintained. Several significant changes have been introduced to the statute during the congress itself. The discussion, polemical and at times heated, lasted four hours.

The introduction of an entry according to which OPZZ is the sole representative of the Polish reborn trade union movement is a significant change of political character adopted by the congress. The key goals and tasks of OPZZ have been complemented with safeguarding the rights and interests of working poeple in the field of health care and work protection. The congress decided that leading posts in OPZZ bodies allotted as a result of elections during the congress could be held for not more than two consecutive terms, that is, eight years. This pertains to the posts of chairman and deputy chairmen of OPZZ and chairman of the Audit Commission.

The greatest controversy in the hitherto discussion on the draft amendments to the statute was aroused by a proposal that, in especially justified cases when a need arises for reasons independent of OPZZ, activities could be undertake with regard to bodies of authority and administration without consultations with OPZZ member organizations. Following a discussion it was decided, nonetheless, to limit this extraordinary procedure to issues of minor importance. It is hard to imagine that there is not enough time for the trade movement to discuss issues most vital for working people, it was said. Following a stormy discussion and a vote it was decided to include in the statute an entry that the posts of chairman and deputy chairman of OPZZ could not be held jointly with the same post in the member organization.

The congress adopted the whole text of the statute with nine votes against and 42 abstentions. The OPZZ Executive Committee was authorized to carry out activities tied with the registration of the document. The statute will take effect on the day of registration by the court, with a binding force as of November 29, this year, that is, the date it was adopted by the congress. The debates continued to exchange views on programmatic tasks of the trade union movement for the next years. Alongside welfare and economic problems, most statements dealt also with suggestions related to the style and quality of action of trade union links.

The congress of Polish Reborn Trade Unions which has been ongoing here with the participation of over 1,400 delegates, is nearing conclusion. The delegates have adopted the OPZZ statute today and re-elected Alfred Miodowicz as OPZZ chairman.

A plenary debate was going on for many hours today producing conclusions that enrich the congress's standpoints and resolutions, but first of all the unions' programme of activities in the upcoming years.

Part of the afternoon debate was devoted to electoral matters. The delegates unanimously adopted electoral regulations binding at the congress and subsequently opened up elections for OPZZ chairmanship. Two candidates ran for the post: Jan Malinowski, representing the Federation of Cooperative Trade Unions, member of the OPZZ Executive Committee, and the hitherto OPZZ Chairman Alfred Miodowicz.

In a secret ballot Malinowski and Miodowicz respectively scored 159 and 879 votes, the number of valid votes being 1,433. The delegates applauded the news about Alfred Miodowicz's re-election to the post. Next followed 32 candiatures for the post of OPZZ vice-chairman (the congress is going to elect eight), and eight candidatures for the post of chairman of OPZZ Audit Commission. Voting lasted until late at night.

OPZZ LEADERS HOLD NEWS CONFERENCE ON CONGRESS

LD30211[illegible]arsaw PAP in English 1832 GMT 30 Nov 86

[By Janusz Dworecki and Miroslaw Luniewski]

[Text] Warsaw, Nov. 30 -- The OPZZ press spokesman told newsmen today that the issue most vigorously debated at the Polish trade union congress were changes in the OPZZ statute. "One concern was evident in the debate: Namely that no single regulation or change should bring about or even imply a return to the organization track of the labour movement from before 1980," Franciszek Ciemny said. Ciemny said the congress, which would up earlier in the day, had brought together a total of 1,424 delegates, 689 specially invited guests, and 56 foreign delegations. Apart from the plenary session, the delegates debated in 12 case groups and seven standing commissions. The congress adopted the trade union programme, statute and the main resolution as well as five other resolutions. It received 321 reports of voluntary work actions undertaken by working crews to mark the event, the spokesman said. The press conference was attended by newly elected trade union leaders: OPZZ Vice-Chairman Romuald Sosnowski, Jerzy Vzieblo, and Stanislaw Bar. Asked about the biggest success of the congress, OPZZ officials cited its highly critical, businesslike and sharp debate which spared neither OPZZ, nor its leadership or the union MP's or state administration, giving evidence of hitherto unheard-of democratization of the Polish labour movement.

Answering a question on why more than 30 percent of all the delegates had crossed out both candidates for OPZZ chairmanship, Sosnowski said the election was by ballot, in which every voter naturally could vote any way his conscience dictated him. Asked what specific moves OPZZ would propose to the government to improve the living standards of the working people, Jerzy Uzieblo listed restructuring of the administration and management in work establishments and search for investment-free forms of streamlining the economy. Elaborating on the same question, Stanislaw Bar said such proposals would also cover development of the housing construction as well as collective contracts and issues related to the old-age pension system. OPZZ is also going to launch a programme aiming to activate young people, he said.

Asked to comment on holding union positions alongside posts in the party or state apparatus, Sosnowski said the issue had not been discussed at the congress, but said the congress banned holding corresponding positions in nationwide union federations and the OPZZ apparatus. Referring to a question about the number of trade union organizations staying outside the OPZZ structure, Sosnowski estimated them at about 4,000, adding that for the most part they operated in the countryside. All the large professional organizations that are ranking for their size and range are grouped in OPZZ, Sosnowski told the journalists. Asked about OPZZ plans in propaganda, Sosnowski said the best propaganda was effective work, but added the movement planned to launch a union daily within two years.

EEC JOINT COMMISSION MEETING HELD IN BUCHAREST

Session Opens

AU282126 Bucharest AGERPRES in English 1938 GMT 28 Nov 86

[Text] Bucharest AGERPRES 28/11/1986 -- The sixth session of the Joint Romania-European Economic Community (EEC) Commission started in Bucharest on November 28.

The two delegations led by Ilie Vaduva, minister of foreign trade and international economic cooperation of Romania, and Willy de Clercq, member of the EEC Commission, responsible for external relations, survey the course of economic links between Romania and the EEC countries, the possibilities and ways of developing collaboration between the two sides in domains of joint interest, of increasing and diversifying mutual goods exchanges and economic cooperation.

Ceausescu Receives De Clercq

AU282110 Bucharest AGERPRES in English 1940 GMT 28 Nov 86

[Text] Bucharest AGERPRES, 28/11/1986 -- On November 28, the president of the Socialist Republic of Romania, Nicholae Ceausescu, received Willy de Clercq, member of the European Economic Community (EEC) Commission, responsible for foreign relations, who attends the sixth session of the Joint Romania-European Economic Community Commission, under way in Bucharest.

The guest addressed keen thanks to President Nicolae Ceausescu for the interview he was granted.

During the interview they approached questions related to cooperation and commercial exchanges between Romania and the EEC. In context, conditions were shown to exist for the deepening and diversification of those ties, as well as between Romania and the countries members of the organization, to mutual benefit, in the interest of the cause of peace and international understanding. Emphasis was placed on the major role assigned to the Joint Romania-EEC Commission in promoting new forms of mutually profitable cooperation between Romania and the EEC in various fields of activity.

President Nicolae Ceausescu pointed out the great significance of strengthening cooperation between all European states, which should make an active contribution to building a united Europe, of collaboration, security and peace. Showing disarmament, nuclear, first and foremost, to be the cardinal issue of our time, the Romanian head of state stressed that, as part of the measures for security- and confidence-building in the continent, Romania attaches great significance to the growth of bi- and multilateral economic ties between the countries of Europe and between all the states of the world.

The interview was attended by Ilie Vaduva, Romanian foreign trade and international economic cooperation minister.

Attending was also Pablo Bernavides, director for the socialist countries of the EEC Foreign Relations Directorate-General.

Session Ends

AU301722 Bucharest AGERPRES in English 1624 GMT 30 Nov 86

[Text] Bucharest AGERPRES, 30/11/1986 -- The sixth session of the Joint Romania-EEC Commission concluded in Bucharest on November 30. An extensive exchange of opinions was made on the current stage of the economic ties between Romania and the countries members of the European Economic Community, on the possibilities to further develop those ties, on the steps that should be taken to that end. The joint wish was expressed to deploy consistent efforts in order to boost and diversify economic cooperation in various areas of joint interest, to increase bilateral commercial exchanges.

At the end of the session, the heads of the two delegations -- Ilie Vaduva, Romanian foreign trade and international economic cooperation minister, and Willy de Clerq, member of the EEC commission, responsible for foreign relations -- exchanged letters on the recommendations agreed during the session.

The head of the EEC delegation was received by Ioan Totu, Romanian foreign minister.

KAPITONOV GIVES NEWS CONFERENCE, ENDS VISIT

AU282116 Bucharest AGERPRES in English 1936 GMT 28 Nov 86

[Text] Bucharest AGERPRES 28/11/1986 -- A news conference was held in Bucharest at the end of the visit paid to Romania by a delegation of the Supreme Soviet of the USSR led by I.V. Kapitonov, deputy to the Supreme Soviet, chairman of the Central Auditing Commission of the CPSU.

Referring to their reception by President Nicolae Ceausescu, I.V. Kapitonov stated: During the interview stress was laid on the achievements scored in the Soviet-Romanian collaboration and on what should be done to raise it on to a higher stage. The interviews between Comrade Mikhail Gorbachev, general secretary of the CC of the CPSU, and Comrade Nicolae Ceausescu, general secretary of the RCP, president of Romania, play a decisive role in the development of bilateral relations in all domains.

Our visit to Romania, the guest further said, gave us the opportunity to get acquainted with the Romanian people's achievements, to meet with Romanian people, with those who ensure the country's firm advance on the road of socialist construction through their work and energy. I.V. Kapitonov also referred to the fruitful collaboration between the parliaments in the two countries both bilaterally and internationally. In the context he underlined the importance of the actions for peace, for a world free of nuclear weapons.

CONSTANTIN MEETS USSR MINISTER SHKABARDNYA

AU291853 Bucharest AGERPRES in English 1438 GMT 29 Nov 86

[Text] Bucharest AGERPRES 29/11/1986 -- Deputy Prime Minister Nicolae Constantin received on Saturday, November 29, Mikhail Shkabardnya, minister of instrument-making, means of automation and control systems of the USSR, now on a visit to Romania.

Aspects of the Romanian-Soviet economic cooperation were approached during the interview in the spirit of the understandings covenanted during the meetings between Nicolae Ceausescu and Mikhail Gorbachev. Tangible measures to develop cooperation in electrical engineering were analysed in that context.

HASANI ASSESSES 'FRIENDLY' VISIT TO ROMANIA

AU301833 Belgrade BORBA in Serbo-Croatian 24 Nov 86 p 3

[Text] Belgrade, 23 Nov (TANJUG) -- "We are returning from our friendly visit to the Socialist Republic of Romania with a great feeling of satisfaction because of the warm welcome and attention paid throughout the whole of our stay." This was stated by Sinan Hasani, president of the SFRY Presidency, on his return to Belgrade from Bucharest.

In his statement to the Yugoslav press, radio, and television, President Hasani also said the following:

"We regard all this as an expression of the sincere friendship of the Romanian people toward Yugoslav peoples. We are also very satisfied with the substantive and fruitful talks which we held with President Ceausescu.

"We also spoke about all bilateral relations and cooperation, possibilities for their further advancement, as well as about the most important matters in international relations and foreign policies of Yugoslavia and Romania.

"This visit has also confirmed that our relations are developing successfully in the spirit of good-neighborliness and mutual trust and respect. As such, they have wider significance, particularly for the state of affairs in the region in which our two countries are situated, and beyond that, for Europe as a whole.

"Particular attention in our talk was paid to the further promotion of economic relations. In that respect we have reached some concrete agreements which should help toward this form of coperation elevate itself to a higher level. Among other things an agreement about cooperation in border regions was signed. We also held concrete talks about improving bilateral relations in all other areas of mutual interest.

"In exchanging views on international matters, particular attention was paid to the strengthening of peace and security in the world, halting the arms race, the development of the CSCE process and ways of relaxing tensions in international relations, and for removing problems which burden them. We jointly noted the major role and importance of the nonaligned countries in this field.

"Of course, we also spoke about the region we live in and concluded on that occasion that there is a need to invest further efforts for the development of bilateral as well as multilateral cooperation among all the Balkan countries, and for turning the region into a zone of lasting peace, security, cooperation, and good-neighborly relations.

"Because of all this I would like to stress that this visit is yet another demonstration of the traditional friendship between Yugoslavia and Romania. It will give a new impetus to the expansion and strengthening of the mutually useful cooperation between Yugoslavia and Romania."

Sends Greetings to Alia

LD281758 Belgrade TANJUG Service in Serbo-Croatian 1423 GMT 28 Nov 86

[Text] Belgrade, 28 Nov (TANJUG) -- On behalf of the SFRY Presidency, Sinan Hasani, president of the SFRY Presidency, has sent a congratulatory telegram to Ramiz Alia, chairman of the Presidium of the People's Assembly of the People's Socialist Republic of Albania, on the occasion of Albania's national holiday.

UN Message on PLO

LD282218 Belgrade TANJUG Domestic Service in Serbo-Croatian 1449 GMT 28 Nov 86

[Text] Belgrade, 28 Nov (TANJUG) -- On the occasion of the day of international solidarity with the Palestinian people on 29 November, Sinan Hasani, President of the SFRY Presidency, sent the UN committee for the realization of the inalienable rights of the Palestinian people a message from the SFRY Presidency, which once again emphasizes Yugoslavia's full support and solidarity with the heroic struggle of this nation for freedom, self-determination, independence, and their own state on their national soil.

The message underline, among other things, that the Palestinian people, under the leadership of their sole legitimate representative, the PLO, have shown their readiness to seek solutions for the realization of their inalienable rights by peaceful means through negotiations on the basis of party and equality, but at the same time have shown their determination to oppose any solutions taken without their involvement and at their cost.

There cannot be a comprehensive, lasting, and just solution to the crisis in the Middle East, the SFRY Presidency message says, without Israel's unconditional withdrawal from all Palestinian and Arab territories occupied in 1967 and later -- including Jerusalem -- and without the realization of the inalienable rights of the Palestinian people to freedom, self-determination, a return to their homeland, and the right to set up their own independent state on their national soil. Only in this way can the rights of all the nations and countries of the region be guaranteed within the framework of internationally recognized borders, the message says.

In this spirit, the nonaligned countries once again at the eighth summit in Harare called on the United Nations to provide an adequate outline for a just and lasting solution to the Palestinian question and the Middle East crisis as a whole, on the basis of the relevant resolutions and decisions of the General Assembly and the Security Council. They also called on the Security Council to form a preparatory committee with the participation of the council's permanent members, which would establish effective modalities for holding an international peace conference on the Middle East under the auspices of the General Assembly.

Yugoslavia will continue through these efforts of the nonaligned countries to give its full support, the message stresses in conclusion.

MILITARY CHIEF RECEIVES SOVIET COUNTERPART

LD281258 Belgrade TANJUG Domestic Service in Serbo-Croatian 1108 GMT 28 Nov 86

[Text] Belgrade, 27 Nov (TANJUG) -- Colonel General Zorko Canadi, chief of the General Staff of the Yugoslav People's Army, received in the Federal Secretariat for National Defense in Belgrade today Colonel General M.A. Gareyev, deputy chief of the General Staff of the USSR Armed Forces, who is on a working visit to our country and its Armed Forces.

During the meeting there was discussion of inter-army cooperation between the two countries, especially in the sphere of scientific and technical development. Lieutenant Colonel General Drago Rakocevic was present at the meeting.

TRADE TALKS WITH EC SET TO RESUME 2 DEC

LD301512 Belgrade TANJUG in English 1228 GMT 30 Nov 86

[Text] Belgrade, Nov 30 (TANJUG) -- On the eve of Yugoslavia-EC trade negotiations in Brussels December 2, prospects for Yugoslavia's greater exports to the community area still remain rather unfavourable -- Yugoslav Chief Delegate Ranko Radulovic has told TANJUG.

Through bilateral contacts with EC members, however, readiness has been expressed for improved cooperation what may facilitate the community's accepting Yugoslavia's requests for a freer access to its market, Radulovic hoped.

He explained that Yugoslavia believed the effected marketing of Yugoslav goods should be taken as the basis to determine a larger volume of its tariff-free exports to EC in the next five years. Specified on this basis, new provisions would help implement the trade agreement principles by a facilitated access of Yugoslav-made commodities to the Community market.

In January-October 1986, Yugoslav exports to EC rose three per cent to 2,115 million dollars and imports increased five per cent to 3,022 million dollars from the year-earlier period, said Radulovic and added that Yugoslavia's re-rising trade deficit was arousing concern. He said this was due to low quotas which restrict greater Yugoslav tariff-free exports of many, especially industrial, articles.

Yugoslavia demands greater quotas for its industrial articles because they have over a number of years been far exceeded. The quota situation is similar with agricultural which, however, have subsided over recent years, expecially this year.

The forthcoming trade talks with EC, said Radulovic, affords the chance of reviewing Yugoslavia's requests more objectively the more so as this is the only Mediterranean country that does not have the full access to the EC market despite the Community's proclaimed policy.

SUNDIC EXAMINES U.S. STANCE ON SALT II

LD300054 Zagreb Domestic Service in Serbo-Croatian 1800 GMT 29 Nov 86

[Milika Sundic commentary]

[Text] The world is not surprised by the U.S. decision to renounce SALT II but it is justified in being very concerned about the potential consequences which could result from such a decision. The other superpower which, signed the SALT II accord -- the Soviet Union -- is not likely to sit with its arms crossed, which means in practice that there will be a further cooling in relations between Washington and Moscow, as well as a serious stagnation in the Geneva talks on reduction and limitation of missiles and demilitarization of space. This was also predicted by Mikhail Gorbachev at a news conference in New Delhi, in his first reaction to Reagan's decision, which he assessed as mistaken.

The SALT II accord was signed in Vienna 7 years ago by former U.S. President Jimmy Carter and Leonid Brezhnev. However, the U.S. Congress has never ratified SALT II, although the two superpowers adhered to what was agreed until 2 days ago. The United States bases its decision to renounce SALT II on the accusation that the Soviet Union has done the same thing, by allegedly doubling the number of strategic warheads from 5,000 to 9,200. It is also claimed that the Soviet Union breached the accord on ballistic missiles, which the two superpowers signed back in 1972. Finally, Moscow is criticized because it had introduced the SS-25 missiles into its missile forces, which is also contrary to the SALT II accord.

However, the Soviet Union has denied all the U.S. accusations as unfounded. Moscow considers that behind Reagan's decision to depart from the SALT II accord lies the U.S. aspiration to achieve military supremacy over the Soviet Union. Moscow finds a reaffirmation of this in the U.S. resolve to realize in full Reagan's idea about the Strategic Defense Initiative, known as the SDI, which was, let us recall, the cause of the failure of the Reykjavik summit.

The question now arises: What next? SALT II no longer exists, which will quite certainly result in a further deepening of mistrust between Moscow and Washington. True, the dialogue on disarmament will be resumed, but judging from the present state of affairs, without any particular prospects of some kind of progress on this level. Moreover, many are wondering whether Reagan is at all ready to come to an agreement with Moscow, considering that he had done nothing in this respect in the past 6 years of his term at the White House. Now, after the exposure of the Iran affair, which has shaken Reagan's position, prospects for negotiations between Moscow and Washington have become even slimmer.

As for as the future behavior of the Soviet Union is concerned, everything leads to the conclusion that Moscow will not give up the proposals set out in Reykjavik, even at a cost of being forced to reply to the latest U.S. challenge. In any case, the situation is getting more complicated, which cannot be good for either of the superpowers, which bears the brunt of the responsibility for this.

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ALIA SPEAKS AT ANNIVERSARY CELEBRATIONS IN LEZHE

AU301548 Tirana ATA in English 1010 GMT 30 Nov 86

[Text] Tirana, November 30 (ATA) -- The people of Lezhe, north Albania, celebrated the 74th anniversary of the proclamation of the national independence and 42nd anniversary of the liberation of the homeland, and the triumph of the people's revolution in an enthusiastic atmosphere.

In their celebrations for the November 28 and 29 festivities the people of Lezhe were also joined yesterday by the first secretary of the Central Committee of the party and President of the Presidium of the People's Assembly, Comrade Ramiz Alia. He was received with great love by working people and leading cadres of the party and state power in the district. Comrade Ramiz Alia met cordially with the people, who applauded and cheered for the party.

"On such days of festivities, Comrade Ramiz Alia said, we honour and bow with profound respect to the memorable deed of our renaissance patriots, who at a very difficult period made all-out efforts to ensure the national independence of the homeland, we recall the unrivalled heroism of our glorious partisans, of our martyrs who spared nothing to bring this happy life today. We also honour today the outstanding vanguard fighters, the people of new Albania, workers, cooperativists, and intellectuals, who have dedicated all their energies to the lofty cause of the socialist construction and march faster than time".

Being accompanied by the leading cadres of the party and state power in the district, Comrade Ramiz Alia went to the graves of the war martyrs. He met cordially with members and relatives of the martyrs' families, with patriots and war veterans.

On behalf of the Central Committee of the party he laid a wreath at the monument commemorating the deed of the martyrs. Then in one of the halls of the "Manush Alimani" house of culture and folk creativity Comrade Ramiz Alia met with communists, cadres, veterans, outstanding workers and cooperativists.

After expressing his greetings to those present and through them to all the inhabitants of this district on the November 28 and 29 celebrations, Comrade Ramiz Alia pointed out among others the great importance of these marked events and the contribution of the people of Lezhe to the struggles for freedom and national independence, to the antifascist national liberation war and to the socialist construction of the country. After speaking about the successes achieved in all the fields of life over the years of the people's state power under the leadership of the party with Comrade Enver Hoxha at the head, about the atmosphere of enthusiasm and high mobilisation which has burst out all over the country following the 9th party congress, he expressed his conviction that by relying on their own forces the working people of Lezhe District and the entire country will find new ways to carry into life the ideas of the 9th congress of the party.

After expressing the joy of the communists and the working people of Lezhe district for the presence of Comrade Ramiz Alia in their celebrations, the first secretary of the District Party Committee Hiqmet Cuka promised that the working class, the cooperativist peasantry and the intelligentsia of this district will always work with a creative spirit and a method of action to carry into life the magnificent tasks of the 9th congress of the party.

Then Comrade Ramiz Alia visited the memorial building of the tomb of our national hero Gjergj Kastrioti Skenderbeg, which also commemorates the Lezhe Assembly convened on March 2, 1944 under his leadership and reflects symbolically the 25 main battles of Skenderbeg.

On the occasion of the November 28 and 29 celebrations, the party committee and the Executive Committee of the People's Council of Lezhe District organized in the afternoon a solemn meeting in the "Manush Alimani" house of culture and folk creativity.

The entry of Comrade Ramiz Alia into the hall was received with enthusiasm and the cheers "The Party of Labour", "Party, Enver-We Are Always Ready".

The meeting was declared open by the first secretary of the district party committee, Hiqmet Cuka.

The speech on the occasion was made by the chairman of the Executive Committee of the District People's Council, Dode Gjika.

The meeting was also addressed by Comrade Ramiz Alia. His speech was listened attentively and was often punctuated by the acclamations for the party.

Then the amateur artists of "Ciftelia" ensemble gave a beautiful artistic programme.

After the concert Comrade Ramiz Alia, together with communists, veterans, workers, cooperativists, members and relatives of the martyrs, families went to a hunting lodge where they had a joyful dinner given by the party committee and the Executive Committee of the People's Council of the district on occasion of the November celebrations. Comrade Ramiz Alia greeted those present and wished them joys in their life, greater successes in work, health and happiness.

LEADERS ATTEND ANNIVERSARY MEETING IN TIRANA

AU291515 Tirana ATA in English 0922 GMT 29 Nov 86

[Text] Tirana, November 29 (ATA) -- On occasion of November 28 and 29, the 74th anniversary of the proclamation of the independence of the country and the 42nd anniversary of the liberation of Albania and the triumph of the people's revolution, the Central Committee of the Party of Labour of Albania, the Council of Ministers, the General Council of the Democratic Front and the Party Committee of Tirana District, organized a solemn meeting at the Opera and Ballet Theater in Tirana on November 28.

Attending were workers of work and production centers, cooperativists, heroes of the people and socialist labour, deputies and counsellors, members and relatives of martyrs' families, military men, representatives of the departments, institutions and mass organizations, young boys and girls, etc.

Present were also the member of the Political Bureau of the Central Committee of the party and chairman of the Council of Ministers, Comrade Adil Carcani; the member of the Political Bureau and secretary of the Central Committee of the party, Comrade Simon Stefani; the member of the Political Bureau of the Central Committee of the party and vice president of the Presidium of the People's Assembly, Comrade Rita Marko; the alternate member of the Political Bureau of the Central Committee of the party and first secretary of Tirana District party committee, Comrade Pirro Kondi; the alternate member of the Political Bureau of the Central Committee of the party and chief of the General Staff of the Army, Comrade Kico Mustaqi; the alternate member of the Political Bureau of the Central Committee of the party and chairman of the Executive Committee of the District People Council, Comrade Llambi Gegprifti; the chairman of the National Committee of the War Veterans of the Albanian people, Shefqet Peci; the members of the Central Committee of the party, Pilo Peristeri, Haki Toska, Haxhi Lleshi, and Piro Koleka, [and other] members of the CC of the party, the Presidium of the People's Assembly and government.

The solemn meeting was declared open by the chairman of the Executive Committee of the District People's Council, Llambi Gegprifti.

Comrade Kico Mustaqi, alternate member of the Political Bureau of the Central Committee of the party and chief of the General Staff of the Army, made the speech on the occasion.

CELIKU UNVEILS BUST OF HOXHA IN TROPOJE DISTRICT

AU291714 Tirana ATA in English 1134 GMT 29 Nov 86

[Excerpts] Tirana, November 29 (ATA) -- On occasion of November 28 and 29 celebrations, the bust of the glorious and unforgettable leader of the party and people, Comrade Enver Hoxha, was inaugurated in the "Enver Hoxha" Agricultural Cooperative of Bujan, Tropoje District, on November 28.

On this occasion, a meeting was organized in the center of Bujan village.

Present were also the member of the Political Bureau of the Central Committee of the party and minister of industry and mining, Comrade Hajredin Celiku, and other comrades. [passage omitted]

Comrade Hajredin Celiku uncovered the bronze bust of Comrade Enver Hoxha.

MYFTIU ATTENDS INDEPENDENCE DAY RALLY IN VLORE

AU291542 Tirana ATA in English 0940 GMT 29 Nov 86

[Excerpt] Tirana, November 29 (ATA) -- In the atmosphere of revolutionary enthusiasm and the work to put into life the historic decisions of the 9th congress of the party, the people of Vlore District celebrated on November 28 the 74th anniversary of the proclamation of national independence. Thousands of inhabitants of the hero city were gathered in the historic Square of the Flag to attend the activities that would be conducted on occasion of this marked event.

Present was also the representative of the Central Committee of the party and of the Council of Ministers, the member of the Political Bureau of the Central Committee of the party and vice chairman of the Council of Ministers, Comrade Manush Myftiu.

The traditional ceremony of raising the flag was organised in the obelisk near the monument of independence. [passage omitted]

DISTRICT ECONOMIC PERFORMANCE REPORT FOR NOV

AU011626 [Editorial Report] Tirana Domestic Service in Albanian in its broadcasts between 1 and 30 November carries the following economic performance reports (time and date of broadcasts in parentheses):

Durres District: 57 enterprises have pre-fulfilled the 11-month plan (1430 GMT 24 November).

In a letter addressed to Ramiz Alia, AWP Central Committee first secretary, the collective of the Metallurgical Combine in Elbasan reports that the 10-month plan was overfulfilled by 27 million leks (1900 GMT 2 November).

The Gogo Nushi nitrate-ammonium plant in Fier District has exceeded its 10-month plan target by 3 million leks (1900 GMT 2 November) and 46 enterprises fulfilled the 11-month plan (1900 GMT 30 November).

Gjirokaster District fulfilled its 1 January-20 November plan 100 percent (1430 GMT 25 November).

Kolonje District prefulfilled its 11-month industrial production plan on 15 November (1430 GMT 24 November) and exceeded its 11-month plan target by 4 million leks (1430 GMT 29 November).

Kukes District exceeded its 11-month plan by 1 percent (1430 GMT 28 November).

Librazhd District overfulfilled its 10-month plan by 3 percent and has noted a 5-percent productivity increase over the stipulated target (0700 GMT 5 November).

Lushnje District fulfilled its 10-month plan with 3 million leks worth of products over and above the target (1700 GMT 1 November).

Mat District fulfilled its 1 January-15 November plan 104.5 percent (1430 GMT 17 November).

Permet District fulfilled its 10-month general industrial plan on 16 October (1430 GMT 1 November).

Pogradec District: The 10-month plan has been overfulfilled by 9 million leks (0700 GMT 5 November) and the 11-month plan prefulfilled, expecting to produce goods worth an additional 9.4 million leks by the end of November (1430 GMT 26 November).

Puke District overfulfilled its 10-month plan by 6 million leks and 2 weeks ahead of time (1700 GMT 2 November).

Shkoder District: Twenty collectives are already working for the December account and the net incomes of enterprises has been exceeded by 21 million leks, compared with a total annual commitment of 20 million leks overfulfillment; the cost reduction target has also been exceeded by 2.3 million leks (1430 GMT 25 November). Ten collectives, including the Vau i Dejes plant and the "Enver Hoxha" hydroelectric power plant in Koman have already prefulfilled their annual plans (1430 GMT 26 November).

Skrapar District fulfilled its 10-month plan a week earlier and produced goods worth 1.3 million leks over and above the plan (1700 GMT 1 November).

Tropoje District exceeded its industrial production plan for the 1 January-20 November period by 8 percent (1430 GMT 21 November) and overfulfilled its 11-month plan by 11 percent (1430 GMT 30 November).

LEADERS ATTEND SFRY NATIONAL DAY RECEPTION

AU281715 Sofia BTA in English 1353 GMT 28 Nov 86

["Reception To Mark Yugoslavia's National Day" -- BTA headline]

[Text] Sofia, November 28 (BTA) -- Today Mr. Ilija Djukic, ambassador extraordinary and plenipotentiary of Yugoslavia to Bulgaria, gave a reception at the Yugoslav Embassy on the occasion of the national day of his country.

The reception was attended by Mr. Milko Balev, member of the Politburo and secretary of the CC of the BCP, Mr. Ognyan Doynov, member of the Politburo of the CC of the BCP, deputy chairman of the Council of Ministers and chairman of the Economic Council, Andrey Lukanov, alternate member of the Politburo of the CC of the BCP and first deputy chairman of the Council of Ministers, Mr. Dimitur Stanishev, secretary of the CC of the BCP, Mr. Miko Grigorov, vice-president of the State Council, members of the government, leaders of public-political and mass organizations and representatives of cultural unions.

The reception was also attended by heads and members of diplomatic missions. The reception passed in a friendly atmosphere.

TANCHEV ARRIVES IN SYRIA, BEGINS TALKS

AU301919 Sofia BTA in English 1830 GMT 30 Nov 86

[Text] Damascus, November 30 (BTA) -- Mr Petur Tanchev, first vice president of Bulgaria's State Council and secretary of the Bulgarian Agrarian Party (B.Z.N.S.), arrived today on an official working visit to the Syrian Arab Republic at the invitation of Vice President 'Abd al-Halim Khaddam.

Mr Petur Tanchev opened official talks with Mr 'Abd al-Halim Khaddam. The first vice president of the State Council will also visit Kuwait, the Yemen Arab Republic and Cyprus.

Meets With Khaddam

AU012041 Sofia BTA in English 1748 GMT 1 Dec 86

[Text] Damascus, December 1 (BTA) -- Mr Petur Tanchev, first vice president of the State Council and secretary of the Bulgarian Agrarian Party, and Mr 'Abd al-Halim Khaddam, vice president of the Syrian Arab Republic, stressed in their talks today in the Bulgarian People's solidarity with the Syrian people's struggle against Zionism and noted the great significance of the Soviet peace proposals announced by Mr Mikhail Gorbachev at the Reykjavik summit. Both countries support these proposals and believe that they point to the only correct approach to the elimination of the nuclear weapons and the prevention of the militarization of space.

The plots against Syria's independent development will not succeed, stated Mr 'Abd al-Halim Khaddam. Syria opposes all attempts at finding a separatist solution of the Middle East crisis without the involvement of all Arab peoples.

The Syrian vice president assessed highly Bulgaria's consistent policy aimed at strengthening peace and good-neighbor relations in the Balkans and at turning this part of the world into a zone free of nuclear and chemical weapons, and her principled approach to the Middle East issue. Mr 'Abd al-Halim Khaddam expressed his country's support for the calling of an international conference on the Middle East with the participation of all interested states.

Mr Petur Tanchev had a meeting with Mr Mahmud al-Zu'bi chairman of the People's Council of Syria. Mr Petur Tanchev and Mr Mustafa al-Aied, [spelling as received], chairman of the General Union of Syrian Farmers, signed a protocol on the broadening of the contacts and cooperation between the Bulgarian Agrarian Party and the General Union of Syrian Farmers.

ZHIVKOV RECEIVES PZPR'S CZYREK 1 DECEMBER

AU011840 Sofia BTA in English 1739 GMT 1 Dec 86

[Text] Sofia, December 1 (BTA) -- Mr. Todor Zhivkov, secretary general of the CC of the BCP and president of the State Council of Bulgaria, received Mr. Jozef Czyrek, member of the Politburo and secretary of the CC of the Polish United Worker's Party (PUWP), who is visiting this country at the head of a delegation for the second session of the Joint Interparty Commission of the BCP and the PUWP.

Mr. Jozef Czyrek spoke of the work of the commission and of the agreements that were reached. Mr. Todor Zhivkov stressed the great importance of the tasks set forth by the resolutions of the 13th Congress of the BCP and of the 10th Congress of the PUWP, for the further upgrade development of the fraternal friendship and cooperation between the two parties, between Bulgaria and Poland. He emphasised the importance of the commission in the carrying out of these tasks.

The second session of the Joint Interparty Commission of the BCP and the PUWP was held here today. It was chaired by Mr. Dimitur Stanishev, secretary of the CC of the BCP, and by Mr. Jozef Czyrek, member of the Politburo and secretary of the CC of the PUWP.

The commission viewed the implementation of the agreements reached at the first session. The great importance of the decisions made at the meeting between Mr. Todor Zhivkov and Mr. Wojciech Jaruzelski for the development of the all around Bulgaro-Polish relations was stressed at the session.

The session examined the development of the contacts between local party organizations and the development of the direct cooperation between economic and scientific organizations from the two countries. Special attention was paid to the acceleration of the socio-economic development of Bulgaria and Poland in compliance with the tasks set forth by the 13th BCP Congress and the 10th Congress of the PUWP. The commission stressed the need of an increase in the efficiency of the party work aiming to improve the cooperation in all spheres by the use of new, modern forms and methods of cooperation. The commission adopted guidelines for the further deepening of the relations of fraternal friendship and cooperation between the BCP and the PUWP, between Bulgaria and Poland.

Further Details

LD020005 Warsaw PAP in English 2217 GMT 1 Dec 86

[By PAP correspondent Wlodzimierz Zrobik]

[Text] Sofia, Dec 1 -- The PUWP-BCP inter-party joint committee held its second meeting here today under the chairmanship of Political Bureau member, PUWP CC Secretary Jozef Czyrek and BCP CC Secretary Dimitur Stanishev.

The meeting evaluated the implementation of decisions taken by the first meeting and it stressed the tremendous impact of the decisions, reached at the meetings between Wojciech Jaruzelski and Todor Zhivkov, in the field of developing all-round Polish-Bulgarian relations. The committee agreed on the directions for further intensification in the relations of brotherly friendship and cooperation of both parties.

Jozef Czyrek was received by BCP CC general secretary, president of the Bulgarian State Council Todor Zhivkov who spoke of the active and concrete activities of Bulgarian communists and all Bulgarian working people for the cause of implementing the resolutions of the 13th BCP Congress.

Jozef Czyrek presented the all-round activities of Polish communists and working people who fulfill the tasks mapped out by the 10th PUWP Congress towards accelerating the social-economic development of People's Poland. The two stressed that relations between the PUWP and the BCP, as well as those between People's Poland and Bulgaria, are developing favourably in all fields.

BRIEFS

YORDANOV MEETS SOVIET ACADEMICIAN -- Georgi Yordanov, candidate member of the Politburo of the BCP Central Committee, deputy chairman of the Council of Ministers, and chairman of the Intellectual Development Council, received yesterday Academician Vitaliy Kostomarov, director of the Aleksandr Sergeyevich Pushkin Russian Language Institute. The conversation took place in a cordial comradely atmosphere. [Text] [Sofia RABOTNICHESKO DELO in Bulgarian 27 Nov 86 p 6 AU]

USSR FRIENDSHIP MEETING -- Dimitur Stanishev, secretary of the BCP Central Committee, yesterday received Yuriy Bernov, deputy chairman of the Union of Soviet Societies for Friendship and Cultural Relations With Foreign Countries. The guest is visiting Bulgaria as the leader of the Soviet delegation to the international meeting of representatives of organizations for friendship with the Soviet Union from the socialist countries to popularize Russian language studies in the friendship societies' activities. The meeting took place in a warm, comradely atmosphere. [Text] [Sofia RABOTNICHESKO DELO in Bulgarian 27 Nov 86 p 6 AU]

INDRA MEETS WITH ROMANIAN DELEGATION 10 NOV

AU260952 Prague RUDE PRAVO in Czech 11 Nov 86 pp 1, 2

[CTK report: "Welcome for Deputies From the Romanian SR; Guests Received by Alois Indra"]

[Excerpts] Prague (CTK) -- A delegation of the Grand National Assembly of the Romanian SR, led by Nicolae Giosan, candidate member of the RCP's Political Executive Committee and chairman of the Grand National Assembly, arrived in Czechoslovakia by air on 10 November for an official friendly visit.

At Ruzyne Airport in Prague, which was decorated with the state flags of the two countries, the Romanian deputies were welcomed by Alois Indra, CPCZ Central Committee Presidium member and chairman of the CSSR Federal Assembly, at whose invitation the visit is taking place. The welcome ceremony was also attended by Jan Marko, Dalibor Hanes, and Deputy Chairman of the CSSR Federal Assembly Bohuslav Kucera; by Alois Hula, deputy chairman of the Chamber of the People; by CSSR Deputy Premier Miroslav Toman; by Deputy Chairperson of the Czech National Council Marie Jarosova; and by other representatives.

Romanian Ambassador to CSSR Cornel Panzaru was also present.

In the afternoon of the same day Comrade Alois Indra received the delegation in the presence of Jan Marko, Delibor Hanes, Bohuslav Kucera, Zbynek Zalman, Jozef Simuth, Alois Hula, and other representatives of our top body of representatives.

Ambassador Cornel Panzaru was also present on the occasion.

In a cordial talk Alois Indra briefed the Romanian deputies on the domestic political situation in our country, and particularly on the Czechoslovak working people's effort to fulfill the conclusions of the 17th CPCZ Congress. The conclusions are fully reflected in the draft of the Eighth 5-Year Plan which will be discussed, in the form of a law, by the joint session of the CSSR Federal Assembly Chambers at the beginning of December. Of course, the exacting tasks of the 5-year program demand a structural reorganization of our economy, a far speedier introduction of the results of scientific-technical development into practice, and also changes in the management and planning system. This is also affirmed by the results achieved during the past 10 months, which show that, on the whole, the plan indexes as regards quantity are being fulfilled, whereas the qualitative aspect of the production process continues to be unsatisfactory. The CSSR Federal Assembly chairman also pointed out the need to continue developing and deepening socialist democracy and the citizens' political upbringing. He then mentioned the ways in which the Federal Assembly wants to improve its legislative and control activities in the new election period, and noted its foreign policy activities. In the first place, they are oriented toward developing contacts with the parliaments of socialist countries; however, intensive and beneficial contacts also exist with the parliaments of many other states on all continents.

In its foreign policy, Alois Indra then said, Czechoslovakia attaches great significance to the effort to strengthen the unity and cohesion of the socialist countries and to support the Soviet Union's peace proposals; and it is actively striving to consolidate peace and understanding between nations. We are following with interest the course of the current Vienna meeting, which affirms that the world after Reykjavik is really different from what it was before, even though the danger of war has far from been removed.

We appraise the Czechoslovak-Romanian relations very positively, Alois Indra concluded. We are interested in their further development, the basic impulses for which are provided by the meetings and talks of our top representatives, Gustav Husak and Nicolae Ceausescu. Mutual cooperation will be further expanded, in keeping with the recently signed trade agreement for the next 5 years; in it the emphasis lies on production cooperation and on the exchange of scientific-technical knowledge. [passage omitted]

Comrade Alois Indra gave a festive dinner in honor of the delegation of the Grand National Assembly of the Romanian SR.

It was attended by CPCZ Central Committee Secretary Jondrich Polednik; by Jan Marko, Dalibor Hanes, Bohuslav Kucera, Zbynek Zalman, Jozef Simuth, Alois Hula, and Miroslav Toman; by CSSR Minister of Foreign Affairs Bohuslav Chnoupek; by Tomas Travnicek, deputy chairman of the CSSR's National Front Central Committee; by Marie Jarosova; and by other representatives of our political and public life.

Ambassador Cornel Panzaru was also present.

The dinner took place in a cordial, friendly atmosphere.

ROHLICEK, URBAN MEET PRC ELECTRONICS MINISTER

LD290434 Prague CTK in English 1510 GMT 28 Nov 86

[Text] Prague Nov 28 (CTK correspondent) -- Czechoslovak First Deputy Premier Rudolf Rohlicek received here today Chinese Minister of the Electronics Industry Li Tieying, who is on an official visit to Czechoslovakia.

They discussed cooperation between the two countries in electrical engineering, science and technology and production, as well as impetuses for further cooperation in this sphere.

Later in the day, the Chinese minister was received by Czechoslovak Foreign Trade Minister Bohumil Urban, chairman of the Czechoslovak part of the Czechoslovak-Chinese Commission for Economic, Trade and Scientific-Technological Cooperation.

Their talks focused on the extension of cooperation between the two countries in economy, mainly in electrical engineering.

ROHLICEK HOLDS TALKS WITH USSR BANK OFFICIAL

LD290425 Prague Domestic Service in Czech 1500 GMT 28 Nov 86

[Excerpt] First Deputy Federal Premier Rudolf Rohlicek received Mikhail Zotov, chairman of the management of the All-Union Investment Bank of the USSR, in Prague today. They discussed investment project construction in the two countries and issues connected with improving management and planning of the national economy. They also spoke about the further development of credit relations and Czechoslovak-Soviet cooperation in banking. [passage omitted]

HAMAN ON MODERNIZATION OF PRODUCTION FACILITIES

AU260506 Prague RUDE PRAVO in Czech 10 Nov 86 pp 1 2

[Report by RUDE PRAVO correspondent Jarislav Simek: "The Modernization and Reconstruction of Poldi SONP Kladno Continues; Watershed in the Development of the Enterprise"]

[Excerpts] Kladno (Our correspondent) -- Last Saturday [8 November] has become an important watershed in the development of Poldi SONP [Spojene Ocelarny, Narodni Podnik -- United Steel Works, National Enterprise] Kladno, our largest enterprise producing high-quality steels. In the morning hours, they put into test operation here a medium-fine [stredojemna] rolling mill, which concludes the extensive construction of the new enterprise in Drin. The festive meeting of the builders of this project of Kladno steelworkers was attended by a party and state delegation, headed by Josef Haman, candidate member and secretary of the CPCZ Central Committee. It also consisted of Frantisek Hanus, secretary of the CPCZ's Central Bohemian Regional Committee; Deputy Premier Ladislav Gerle; and Minister of Metallurgy and Heavy Engineering Eduard Saul. [passage omitted]

Josef Haman, who addressed the meeting, stressed, among other things, the importance of the automated medium-fine rolling mill as the final project of the extensive process of the enterprise's reconstruction and modernization, which will significantly contribute to a better valorization [zhodnocovani] of metals and to enhancing the utility value of metallurgical products -- especially for the engineering sector. When he spoke about one of the important tasks of the 17th CPCZ Congress -- the intensification of metallurgy -- he stressed the necessity to continue modernizing additional metallurgy operations and, at the same time, halting production on obsolete equipment which involve heavy manual work, on equipment whose productive life is already over and which does not ensure the necessary performance, capacities, and technical-economic parameters. At the 17th CPCZ Congress, we noted that the gradual modernization of Czechoslovak metallurgy made it possible in the Seventh 5-Year Plan period to close down, for example, 13 open-hearth furnaces, 10 obsolete rolling trains, and 3 coking batteries. In the Eighth 5-Year Plan period, the extent of the liquidation of obsolete equipment must be even greater. At the same time, Josef Haman added, in contrast to the closed down metallurgy operations and enterprises in the West, modernization and reconstruction of metallurgy operations in our socialist society do not cause our metallurgy workers concern about unemployment, the loss of the possibility to assert themselves in society through work, but rid them of previous back-breaking work. [passage omitted]

"In all sectors we must do everything to fulfill well the demanding tasks of this year's plan, of the entire Eighth 5-Year Plan. More than ever before, we must urge all working people to correctly comprehend them, and participate in ensuring them actively and with awareness. In unity with the solution of material problems and tasks -- in the interest of coping with them -- we must, in the spirit of the resolutions of the 17th party congress, also make basic progress in working out measures aimed at perfecting the entire system of planning and management of the national economy, at gradually restructuring our economic mechanism in accordance with the needs of intensification and the acceleration of socioeconomic development." [passage omitted]

SED CENTRAL COMMITTEE ASSESSES ECONOMIC ISSUES

AU260948 East Berlin NEUES DEUTSCHLAND in German 21 Nov 86 p 1

[Text] The third session of the SED Central Committee opened in Berlin today.

The report of the Politburo was delivered by Hermann Axen, member of the Politburo and secretary of the Central Committee.

Gerhard Schuerer, candidate member of the Politburo, deputy chairman of the Council of Ministers and chairman of the GDR's State Planning Commission, reported on the 5-year draft plan for the development of the GDR's national economy in the years 1986-90 and on the 1987 national economic plan.

The debate on both items on the agenda began.

The Central Committee session will continue on 21 November.

Politburo Report

LD202053 East Berlin ADN International Service in German 1526 GMT 20 Nov 86

["From the Report of the Politburo to the Third Session of the SED Central Committee" -- ADN headline]

[Text] Berlin, 20 Nov (ADN) -- It is noted in the report of the Politburo to the third session of the Central Committee, delivered by Hermann Axen, member of the Politburo and secretary of the SED Central Committee, that the party has performed great work for the implementation of the domestic and foreign policy tasks resolved by the 11th congress since the previous session on 13 June 1986. The further shaping of the developed socialist society and the initiative-rich struggle for safeguarding world peace determine in their reciprocal interrelationship the content and forms of the SED's activity.

As an inseparable component of the socialist community, in firm alliance with the USSR and other fraternal socialist countries, we have been striving to counter a further exacerbation of the international situation and to make a constructive contribution to its amelioration.

The participants in the Moscow working meeting of the leading representatives of the fraternal parties of socialist countries which are CEMA member-states supported the principled position of the Soviet Union in Reykjavik. They stressed the need to intensify joint efforts in the interests of the struggle for the elimination of nuclear arms and the reduction of conventional ones, for the consolidation of peace and of international security.

The leading representatives of the fraternal parties discussed the main problems of developing and perfecting cooperation between the socialist countries and opportunities for a more complete unfolding of socialism's creative potential.

The Central Committee Politburo has fully approved the extraordinarily significant results of the meeting and issued the appropriate instructions for the implementation of the stipulations made.

It is stated that the international situation is still complicated and very tense and characterized by the activity of contrasting tendencies of development. The dangers emanating from the course of confrontation and arms build-up and from the Star Wars plans of governing circles in the United States and NATO have not been banished. They are proving to be the main obstacle to peace and disarmament. But the fact cannot be overlooked that new and significant forces which advocate peace are increasing their influence in the international arena. The peoples are raising their voices more and more insistently for peace and peaceful coexistence. The call for a coalition of reason and realism is meeting with an ever larger response among the politicians of the nonsocialist world.

The Politburo, conscious of the increased responsibility of the SED and the state, has performed hard work to fulfill the task set by the congress -- to do everything to contribute to reducing the danger of war, to do everything to ensure that war will never emanate from German soil, but only peace.

Closely allied with the Soviet Union and all other fraternal socialist countries, the GDR is standing unshakeably at the side of those forces in the world which are determined to avert the danger of a nuclear catastrophe from mankind. We agree with all those who believe that there is a need to ensure the survival of mankind.

In this matter, words are not enough. For this reason, the Soviet Union and the other states of the Warsaw Pact put forward this year a series of extraordinarily significant proposals for arms reduction and disarmament. After the far-reaching proposals from the Soviet Union on 15 January for the gradual elimination of nuclear weapons by the year 2000, the Political Consultative Committee of the Warsaw Pact, at its Budapest session on 10-11 June 1986, directed an appeal to the NATO states and the other European countries for a reduction of armed forces and of conventional armaments. With these initiatives, the socialist states have at their disposal a complex program for the reduction of every type of weapon in accordance with the principle of equality and equal security, and for effective supervision of these steps.

In August, the Soviet Union gave a further sign of its goodwill. For the third time, it extended the unilateral moratorium on all nuclear tests.

The realism of these far-reaching disarmament proposals from the socialist countries, and the prior concessions of the Soviet Union, are meeting with an extraordinary response and increasing support in world public opinion.

Since the summit meeting between Mikhail Gorbachev and Ronald Reagan in November last year, it has not been possible to achieve substantial results in the negotiations between the Soviet Union and the United States on disarmament questions. As we all know, this was not the fault of the Soviet Union. The party has an even better assessment, therefore, of the courageous initiative of our friend and comrade Mikhail Gorbachev for the meeting with U.S. President Ronald Reagan at Reykjavik, which was aimed at facilitating concrete negotiating results, the report goes on.

The SED Central Committee Politburo, and the GDR Council of State, and Council of Ministers evaluated the meeting at Reykjavik as a political event which has outstanding significance in the battle against the arms race and for the banning and elimination of nuclear weapons.

Reykjavik showed that concrete agreements would have been possible. However, the historic chance remained unused, since the U.S. Administration refused to renounce its Star Wars program and thus to give up the dangerous and pointless striving for military-strategic superiority. No reasonable human being understands why the arms race should be extended into space, if it is realistic to eliminate nuclear weapons on earth through mutual agreements under strict supervision.

It is not the Star Wars plans, disguised as the Strategic Defense Initiative (SDI), but rather effective disarmament that is the protection and shield of life. If, in the Geneva declaration of intent between Mikhail Gorbachev and Ronald Reagan of November 1985, it was agreed that the aim of the summit talks was to prevent the militarization of space, to end the arms race on earth, and to renounce the striving after military superiority, what is the purpose of the United States' adherence to SDI and the unrestrained continuation of nuclear tests?

In the joint statement of the SED Central Committee Politburo and the GDR Council of State and Council of Ministers, it was stressed that "a new stage has now begun in the battle to prevent a nuclear inferno." It is therefore a requirement of the moment to do everything, together with all forces of realism, in order to bring about a basic change from the arms race to arms limitation and disarmament, from confrontation to detente and cooperation.

The SED Central Committee again stressed the need to intensify political dialogue, contacts, and negotiations from now on. This is the only way still to achieve everything which was within sight at Reykjavik. The will of the nations and states must be expresed still more clearly in order to open the path to reason.

The strengthening of socialism is and remains decisive for the prospects of peace and progress. In the foreground are the safeguarding of the stability of every socialist country, the guaranteeing of a high dynamism of economic and social development, and a higher effectiveness of cooperation.

After the significant participation of the CPSU Central Committee general secretary in the 11th SED Congress, Erich Honecker's meeting with Mikhail Gorbachev in Moscow on 3 October made it clear that friendship and cooperation between our parties, states, and peoples are developing very successfully, the report says.

The unveiling of the Thaelmann monument in Moscow and the subsequent discussion of topical issues, in which the chairmen of the DKP and the SEW, Herbert Mies and Horst Schmitt, took part, demonstrated the shared nature of the struggle of German and Soviet communists in history and at the present time.

The agreements between Erich Honecker and Mikhail Gorbachev have far-reaching importance for the all-round development of relations between the two parties and states, and are of high benefit for the two peoples. On the basis of full agreement on the basic issues of the international situation and of socialist construction, the two parties will continue their cooperation and the mutual exchange of views and experience.

Outstanding international significance is attached to the official friendship visits which Erich Honecker paid last month to the Mongolian People's Republic, the DPRK, and the PRC. The visits served the dynamic expansion of relations with these three socialist countries of Asia in the interests of strengthening socialism, safeguarding world peace, and cooperation among all socialist states.

We regard it as particularly important that the problem of peace and security in Asia, as proposed by Mikhail Gorbachev in Vladivostok, is being tackled as a whole package, the report states. The GDR supports the initiatives of socialist countries of this continent, which are directed at this, the DPRK's proposals to transform the Korean Peninsula into a zone of peace, and the forward-looking actions of other Asian states which are characterized by responsibility for peace.

Erich Honecker's official friendship visit to the PRC is an event to which historic significance can, with complete justification, be attributed. It was the first visit by the highest representative of the GDR to the PRC. As a result of it a new stage in relations between our parties, states, and peoples was initiated, it is stressed in the report.

As a result of the visit, the continuation and deepening of party relations and concrete measures for the exchange of delegations and experiences and for cooperation between the party institutes were agreed upon.

Sober analysis of the current international situation shows, the report goes on to say, that in view of the real danger of a world war conducted with nuclear weapons, the policy of peaceful coexistence established by Lenin has achieved a new dimension. Although this policy has always been the most favorable opportunity for the socialist states to shape relations with the states of the other system, it has now become the only tenable form for the existence of relations between states with differing social orders. Peaceful coexistence between states with differing social orders does not of course do away with the struggle and competition between socialism and imperialism, or the historic conflict between the classes. It is, however, of decisive importance that the irreconcilable ideological and social contradictions are not transferred to international relations and in no event settled by military means.

The report says that the world is increasingly recognizing that despite differing and contradictory political and ideological standpoints, we must learn to live with one another. The nuclear and space age requires that we get along well with each other. From this logically emerges the need to find new forms and procedures in relations between the systems, states, and regions to secure peace and to solve other global problems. The most reactionary and aggressive circles, allied with the military industrial complex of imperialism, oppose this. As a result of this and despite all the manipulation of public opinion in the West, the contradiction between the overwhelming majority of mankind, which is interested in peace, and the numerically small but powerful, extremely aggressive and extremely militarist grouping of imperialism, which regards a war as winnable and persuable and is preparing it, emerges more and more clearly. Today even increasingly broad circles of the monopoly bourgeoisie understand that a military conflict between socialism and imperialism would mean the end. They understand that in a nuclear inferno there would be no more profits. They also sense that the material preparations for a nuclear war increasingly undermine the capitalist reproduction process.

We regard it as a decisive task to contribute toward reducing the danger of war and together with all forces of goodwill, including dialogue with personalities from the most varied political orientations in the West, to search for ways to prepare the ground for this.

The socialist concept for a comprehensive system of international security marks out a broad framework for political dialogue and cooperation, the report continues.

At the forefront of this are, of course, the questions of arms limitation and disarmament, the prevention of the militarization of space. But we are also consistently pursuing the goal of consolidating international security through the further shaping of cooperation in the political and economic fields, the field of environmental protection, the combatting of international terrorism, and the solving of humanitarian questions.

The talks held by Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, and the other members of the party leadership, the members of the Council of State and the Council of Ministers with leading politicians and representatives of the economy of capitalist countries fall within this framework.

Erich Honecker's state visit to the Kingdom of Sweden in June this year and his talks with Prime Minister Ingvar Carlsson were marked by the wish of both sides to make a contribution to reducing the danger of nuclear war and to securing a lasting peace. There was far-reaching agreement in international questions and regarding increased cooperation in the political, economic, and cultural fields, the report says.

The official visit by Belgian Prime Minister Wilfried Martens in September again proved, in the tense and complicated international situation, the vigor of the policy of peaceful coexistence between states with differing social orders. Both statesmen agreed that the political dialogue based on reason and realism must be continued and intensified.

On the basis of an agreement reached during the talks between the general secretary of the SED Central Committee and GDR State Council chairman and the Belgian prime minister, consultations are taking place between the Foreign Ministries of the GDR and Belgium on the initiative of the GDR and the CSSR to form a zone free of chemical weapons and on the overall nature of a ban on chemical weapons, the report says. Commitments were also made on expanding bilateral economic and scientific-technological relations.

As a result of the state visit by President Khristo Sartzetakis of the Hellenic Republic to the GDR, the political dialogue between the two countries at the highest level experienced a significant continuation. This notably consistent dialogue is marked by the common desire to do everything to contribute to improving the international situation and to securing peace.

More and more responsible politicians in Western Europe are seeking feasible paths of reducing military and political confrontation in Europe, consolidating security and expanding and strengthening cooperation in a sensible balancing of interests with the socialist states.

Particularly in the light of Reykjavik, the successful conclusion of the Stockholm Conference on Confidence-Building Measures, Security and Disarmament in Europe is proof of the possibility, despite all the continuing contradictions and differences of opinion, of achieving concrete agreements in the questions of war and peace which accord with the interests of all involved. As a result of the Stockholm document, a feasible compromise, an important step has been made to reduce the danger of the outbreak of war. It is now necessary to maintain and expand the potential for trust achieved in Stockholm through conscientious implementation of the final document and to take new steps toward military detente.

The report then recalls that in 1983 the GDR agreed with Olof Palme's proposal to create a nuclear-weapons-free corridor on the dividing line between NATO and the Warsaw Pact. At that time, Erich Honecker called on the government of the FRG to enter into negotiations about the creation of such a corridor. The FRG Government at that time reacted negatively. However, this idea met with great international response. It is closely connected with the efforts of realistic forces in other regions of Europe -- for example in Northern Europe and the Balkans -- to create nuclear-weapons-free zones. After the agreement achieved with the SPD in June last year on a framework for the creation of a chemical-weapons-free-zone in Europe, Erich Honecker and Willy Brandt agreed in September 1985 to set up a joint working group of the SED and the SPD. The working group then worked out "Basic Guidelines for a Nuclear-Weapons-Free Corridor in Central Europe" and presented these at an international press conference in Bonn on 21 October 1986.

This renewed joint initiative by the two parties is vigorously welcomed by the socialist countries, by socialist and social democratic parties, by democratic parties, movements, and personages all over the world as a concrete contriubtion to the promotion of the idea of eliminating all nuclear weapons.

The CPCZ officially jointed the initiative of the SED and the SPD for the creation of a nuclear-weapons-free corridor with a statement from CPCZ General Secretary Gustav Husak on 23 October 1986 and is continuing the fight for the propogation and realization of the initiative together with us, the report goes on.

At the gala event for the 69th anniversary of Red October, Yegor Ligachev stated that the USSR attaches fundamental importance to the joint proposal of the SED and the SPD to create a nuclear-weapons-free corridor in Europe on both sides of the dividing line between the Warsaw Pact and the NATO countries.

The initiative taken up by the CEMA states to establish official relations between CEMA and the EC fits in consistently with socialist European policy.

The work of the leading representatives of Argentina, Greece, India, Mexico, Sweden, and Tanzania for peace and disarmament is receiving ever greater international attention. The "Declaration of Mexico" made by them in August this year met with a positive reception worldwide. Erich Honecker paid tribute to this initiative as an outstanding contribution in the efforts of all peace-loving forces to bring about a change for the better in international relations.

At the 11th SED Congress, we paid tribute to the importance of the Movement of Nonaligned States, the report goes on. The course and results of the eighth summit meeting of the heads of state and government of the nonaligned states at Harare in September this year confirmed the ever more active and significant influence of the nonaligned states on international relations in favor of peace, disarmament, and development. In the "Harare Appeal for Disarmament," the fight for peace and for the prevention of a nuclear war is described as the principal task of our time.

The nonaligned states demand the recasting of international economic relations on a just and democratic basis with the aim of creating a new international economic order, and of overcoming underdevelopment. The GDR supports this demand most emphatically, it is stressed in the report.

More and more importance is attached to the continent of Latin America on the world political scene. The political face of the majority of states is progressively changing. The states in this continent are seeking to realize their very own national interests. They are showing resistance to the dangers conjured up by the imperialist policy of large-scale armament and confrontation and are defending themselves against the hegemony of the United States and the policy connected with this of plundering and protectionism by international finance and monopoly groups.

In accordance with the decisions of the 11th party congress, the GDR has, in recent months, always raised its voice in places where imperialism tramples on the interests and rights of peoples and states by interfering in sovereign affairs, creating and stirring up tensions and conflicts which put peace in danger, the report goes on.

The meeting between Erich Honecker and Daniel Ortega, president of the Republic of Nicaragua, in Berlin in September this year was characterized by the support of our states for the respecting of international law, and by our solidarity with the victims of imperialist threats, interference, and the use of force, it is stated. The two statesmen expressed their deep concern at the aggravation at the conflict situation in this area. They stated their full support for all efforts to bring about a just political regulation of problems in Central America. Each people, Erich Honecker stressed, has the right to choose its path of political, economic, and social development, freely and without interference.

In the spirit of the shared goals and ideals, of the struggle of the peoples for peace, for national and social liberation, for socialism and communism, the SED has developed its relations with the communist and workers parties further. Intensive cooperation with the parties of the fraternal socialist countries has been continued.

The exchange of views with delegations from communist and workers parties from capitalist countries facused on international issues, especially the problms of safeguarding peace. We were able to note a high degree of agreement on the causes of the tense international situation and on the need to intensify the struggle for peace. All fraternal parties welcomed and paid tribute to the active, initiative-rich approach of the Soviet Union and the other socialist states on matters of arms limitation and disarmament, especially the activity of the SED and its general secretary.

In the report, Samora Machel is praised as a great son of the Mozambican people, an outstanding representative of the national liberation movement of Africa and of the Movement of Nonaligned States. He made an outstanding contribution to the struggle of the African peoples for peace and independence, against colonialism, neocolonialism, and apartheid.

During a meeting with Oliver Tambo, president of the African National Congress (ANC) of South Africa, in Berlin in August, Erich Honecker affirmed the solidarity of the SED and the people of the GDR with the struggle of the oppressed masses of the people in South Africa for the elimination of apartheid and for the establishment of an antiracist, unitary, democratic, and peace-loving South Africa.

Our solidarity and support for the peoples of Angola and Mozambique in their struggle, rich in sacrifices, against the interference and aggression of the most reactionary circles of imperialism and of the racist regime of South Africa are unchanged, the report continues.

Reference is made in the report to the 11th World Congress of Trade Unions in Berlin in September, in which 1,014 delegates and guests from 145 countries took part, representing 432 trade union organizations, 301 of which are non-members of the WFTU. The delegations represented 296 million members. In addition, 14 international non-trade union organizations, such as the ILO, the UNESCO, and the World Peace Council, were represented.

In the struggle for ending the arms race on earth and its prevention in space, the intensified activities of the Socialist International deserve respect as an influential political force in the world, it is noted. The 17th Congress of the Socialist International in Lima in June, in which a delegation of observers from the SED took part, affirmed the rejection of the Star Wars plans of the United States and called on the U.S. Government to join the Soviet moratorium on nuclear tests.

The constructive and businesslike dialogue with the socialist and social-democratic parties was served by the visit of the chairmen of the Flemish and Walloon Socialist Party of Belgium, Karel van Miert and Guy Spitaels to the GDR and their meetings with Erich Honecker. Constructive talks took place with the leading representatives of PASOK in Greece and on the occasion of the first official visit by a delegation of the Social-Democratic Party of Denmark to Berlin.

The GDR peace movement is playing an extremely initiative-rich role in the social life of our country and in the international arena. On World Peace Day, a delegation embracing representatives of all classes and strata of our people presented the general secretary of the SED Central Committee and chairman of the GDR Council of State with a peace report on the varied activities of the working people in the international UN Peace Year. The peace report proves impressively how deeply rooted is the recognition that a strong socialism makes peace more secure in the thinking and action of the working people of our country.

Concerning GDR-FRG relations the speaker noted: The statement made at the 11th SED Congress that the safeguarding of peace was and remains the decisive issue in relations between the GDR and the FRG as well, has determined the activity of our party in recent months. Again and again we have stressed to the FRG the special responsibility which the two German states carry for guaranteeing peace and for security, as well as for continuation of the detente process in Europe. We have stressed here the agreement mentioned in the joint statement of Comrade Erich Honecker and Federal Chancellor Kohl on 12 March 1985, that the inviolability of borders and the respecting of the territorial integrity and sovereignty of all states in Europe in their present borders are a fundamental condition for peace.

In a letter to Chancellor Kohl, replying to his letter to the heads of European governments on the question of the safety of nuclear plants, Erich Honecker again pointed out at the end of May 1986 that it is necessary to avert the nuclear threat to the entire world. He stressed the need to liberate Europe and the world completely from nuclear weapons, to prevent the militarization of space, and to end the arms race on earth.

In the period covered by the report, the GDR has also continued and stepped up its constructive policy of dialogue with the FRG aimed at creating a world-wide coalition of reason and realism.

The many meetings held by Comrade Erich Honecker and other members of the party and state leadership with leading politicians both from the government parties of the FRG, the CDU, the CSU, and the FDP, with representatives of the economy, and also with representatives of the SPD and the Greens, strengthen us in the belief that in the nuclear and space age there is no alternative to political dialogue. We continue to believe that to talk to one another is 10 times better than to shoot at one another. We want cooperation instead of confrontation, and not only in words.

The meetings with representatives of the government parties served the aim of developing relations between the two German states in such a way as to give an impetus to international events which strengthens peace and detente.

On 16 May 1986 Erich Honecker received Lothar Spaeth, minister-president of Baden-Wuerttemberg and CDU deputy chairman. He agreed that no additional strains must be allowed to be imposed on Europe by the relations between the GDR and the FRG, but that on the contrary they must promote the peaceful coexistence of the European peoples.

At the meetings with Agriculture Minister Kiechle, North Rhine-Westphalian CDU Chairman Biedenkopf, and at the reciprocal visit to Baden-Wuerttemberg by Herbert Weiz, deputy chairman of the GDR Council of Ministers, the talks centered on the GDR's peace initiatives and the expansion of equal, mutually beneficial relations.

In the future, too, the GDR will conduct political dialogue with all political representatives of the FRG who are ready for this and who are guided by reason and goodwill. We proceed from this conviction: The more stable peace is in Europe, the more fruitfully will relations between the two German states be able to develop.

In implementing the Basic Treaty, the GDR has undertaken a series of steps in order, in accordance with the line marked out by the 11th party congress, to further develop state relations with the FRG on the basis of international law. On 6 May, following lengthy and complicated negotiations, a cultural agreement was signed between the GDR and the FRG which is meanwhile proving itself in practice. The positive response to the GDR exhibition "Baroque in Dresden" in the Villa Huegel in Essen is proof of the advantage of cooperation regulated by treaty in this area, too. The negotiations on agreements in the fields of science and technology and environmental protection are being continued.

During Comrade Erich Honecker's talk with Johannes Rau, North Rhine-Westphalian minister-president and SPD deputy chairman, and Oskar Lafontaine, Saarland minister-president and chairman of the Saar SPD, on 7 May 1986, agreement was reached that in view of the complicated international situation it was more necessary than ever for the two German states to work actively for peace, disarmament, and detente.

There was also agreement on questions relating to the securing of peace, disarmament, and detente in the talks held with other SPD politicians, including Hans-Jochen Vogel, Egon Bahr, Peter Glotz, Karl-Heinz Hiersemann, Gerhard Schroeder, and Helmut Schmidt.

The fact that a delegation of the SED Central Committee took part for the first time as a guest in the SPD congress in Nuremberg is also an expression of the diverse and useful contacts between the SED and the SPD.

In our discussions with representatives of the SPD, the Greens, the FDP, and the CDU, we have always pointed out that everything must be done to ensure that no additional strains will emanate for the international climate from the relations between the two German states. The continuing support of the governing circles of Bonn for the U.S. Star Wars program, which stands in the way of progress in the sphere of nuclear and conventional disarmament in Europe that is desired by all Europeans, does not correspond to the requirements of the times. It would be desirable for sensible and realistic positions to win through among the governing circles of the FRG, so that the FRG can fulfill its duty to peace through positive contributions.

In the domestic policy part of the report, it is stated that a qualitatively new stage in the further formation of the advanced socialist society in the GDR was entered with the realization of the decisions of the 11th SED Congress. The Politburo can state that it has made good progress in the principal field of battle -- the unity of economic and social policy as the core of its economic strategy with the year 2000 in view. The challenges of the SED's economic strategy and the targets contained in the directive of the 11th party congress concerning the development of the GDR's national economy in the years 1986-90, are becoming the standard of achievement for millions of workers. Part of the broad current of initiatives are the outstanding performances in more than 45,500 youth brigades and 4,900 youth research teams. They are fighting successfully for long-term best performances and for top achievements, in record times, in the development and application of key technologies. By the end of October, produced national income had risen by 4.3 percent. It is of great importance that this increase is for the first time based exclusively on the increase of labor productivity, it is stressed.

The industry combines have made a special contribution to this development. They increased net production by 8.6 percent and labor productivity by 8.8 percent. Thus, for the first time in the history of the GDR, a faster growth in labor productivity has been achieved in comparison to net production in industry as a whole. This favorable development is also taking place in the construction sector. Here, net production rose by 6.2 percent and labor productivity by 7.0 percent. The net production increase over the planned amount totaled 394 million marks. Another fact which shows increasing efficiency is that net production in industry rose considerably faster than goods production, which grew by 4.3 percent. Increasing efficiency is also shown in the combination of greater refining of raw materials and the reduction of productive consumption of economically important energy sources, raw materials, and working materials. This is reflected in the reduction of costs by 1.8 percent in both industry and the construction sector.

It is important for successful progress that the dynamism and efficiency of the national economy were further accelerated along the path of comprehensive intensification. The closer interweaving of science and production contributed decisively toward this. The GDR's intellectual and material potential, and, in particular, scientific-technological capacity, was even more heavily concentrated on the rapid and broad application of key technologies. By the end of October, 24,342 office and personal computers had been manufactured. This is 142 percent more than in the previous year. For solid state integrated circuits, the increase in production was 27 percent, and for optoelectronic semiconductor components it was 19 percent.

In combined equipment for regulation, control, and monitoring, production rose by 19 percent, and for electronic logging instruments, by 37 percent. Production of industrial robots increased by 10 percent. With a present total of 17,210 CAD/CAM work stations, there are now twice as many in operation as at the start of the year. Hundreds of thousands of workers have been and are being further trained to guarantee the highest efficiency and a strong economic growth with these and other key technologies.

As is appropriate to the unity of economic and social policy, the people's material and cultural standard of living was further improved according to plan in the period of the report. The housing construction program was swiftly realized in accordance with the decisions of the 11th party congress. By the end of October, 176,053 homes had been newly built or modernized; this is 6,353 homes more than the plan envisaged for this point in time. Thus, by the end of October, living conditions had improved for 530,000 citizens. For the community facilities attached to these homes, the plan was also fully carried out and overwhelmingly exceeded expectations. Thus, 1,565 classrooms, 114 school sports halls, 15,703 kindergartens, 7,873 places in day nurseries, and 1,600 places in youth clubs were newly created. Furthermore, 1,205 places in old peoples' homes were made available.

Increasing efforts were made to speed up the modernization, reconstruction, and preservation of the value of the available housing stock. The planned construction tasks for the suitable development of Berlin with the 750th anniversary in view were successfully realized, the report continues. This is true for complex housing construction, plans in industry, science and culture, and for the expansion of urban technology and the transportation sector. By the end of October, 26,283 homes had been rebuilt or modernized in the GDR capital, including the social facilities attached to them. Ten years of successful work by the "FDJ Initiative Berlin" play a large part in this. More than 20,000 young construction workers from all areas of the country have set for themselves important targets in the preparation of the 750th anniversary, including the reconstruction of the Friedrichstrasse-Otto-Grotewohl-Strasse which will make the inner city of Berlin even more attactive than before.

Increasing performances in the national economy made rising incomes possible, as well as the stable supply of the population with consumer goods and services. Retail turnover increased by the end of October by 4.2 percent. Thus, the population bought 10.7 percent more radio and television sets, 9.1 percent more shoes and leather goods, 7.2 percent more fabrics and clothing, and 5.0 percent more furniture, leisure goods, and sports articles compared with the same period the previous year.

The economic effectiveness of science and technology were increased, the report continues. Since the start of the year, around 4,300 scientific-technological results became effectively produced in the framework of the state plan for science and technology and of the plans for the combines. The production of newly developed products rose by 12 percent. A new quality of the economic linkage between science and production was developed increasingly. Today 119 combines have relations, based on contracts, with the Academy of Sciences and with universities and colleges in the country.

In agriculture, it was possible to attain a per hectare yield for grain of 46.3 decitonnes and thus to exceed the previous year's record result. The total yield amounts to 11.6 million metric tons. The overfulfillment of the planned yield of 47.8 decitonnes of grain units per hectare by 0.6 decitonnes of grain per hectare under the less favorable vegetation conditions in 1986 makes clear the increased stability and effectiveness of the agricultural production cooperatives, publicly-owned farms, and their cooperation arrangements. The plan for sales of animal products to the state was overfulfilled.

The Politburo has taken a fundamental decision to further improve management, planning, and economic cost accounting. It is aimed, in accordance with democratic centralism, at strengthening the central state management and planning of the national economy and, at the same time, at further raising the individual economic responsibility of the combines. For the accumulation and utilization of resources for the modernization and reequipping of fixed assets, the combines will receive an investment fund to be used on their own responsibility.

In the period of the report, the Politburo devoted great attention to the tasks in foreign trade, it is further noted. Of primary importance were the questions of deepening socialist economic integration with the USSR and the other CEMA member countries. The agreements on deepening cooperation in science, technology, and production between the GDR and the Soviet Union are being implemented with determination. The Politburo regards the conclusion of agreements on the development of direct relations between combines, enterprises, and organizations of the GDR and associations, enterprises, and organizations of the USSR, and on the formation of joint collectives of specialists from both countries as an important contribution to the dynamic development of economic relations between the GDR and the USSR.

The report further points out that cooperation between the GDR and the USSR is marked more and more strongly by the requirements of further raising the productivity and effectiveness of the national economies of the two countries through comprehensive intensification. An expression of this is a series of new cooperation agreements in the development and application of key technologies in such areas as microelectronics, technical ceramics, and biotechnology. Based on the agreed direct cooperation in science and production, the bilateral deliveries of microelectronics products will surpass 10 billion marks in the years 1986-90. In trade with the USSR, exports were fulfilled to the level of 101 percent by the end of October. It is of particular importance that the deliveries of raw materials and materials from the USSR are in accordance with agreement and thus ensure supplies to the GDR national economy to a high degree. The GDR has maintained its positions in the markets of the nonsocialist economic area and expanded them further in important sectors through extraordinary achievements in strengthening its export power. Significant export surpluses were also accumulated in 1986.

In September, more than 75,000 citizens began a course at university or technical college, 57,000 of them by direct study. A total of 49,000 graduates successfully concluded their direct study at universities, colleges, and technical colleges. The comrades in the National People's Army, the GDR Border Troops, the German People's Police, and the other organs of the Ministry of the Interior, in the Ministry for State Security, in the customs administration, and in civil defense are reliably and effectively shaping the system of the defense and protection of the socialist fatherland in accordance with the requirements of the present, the report notes.

The report pays tribute to the share of the friendly parties in implementing the resolutions of the 11th SED Congress. The activity of the Democratic Peasants' Party, the Christian Democratic Union, the Liberal Democratic Party, and the National Democratic Party testifies to the fact that socialism offers every citizen, regardless of social origin, ideology, and religious faith, the opportunity to collaborate actively in shaping a developed socialist society in the GDR. The qualitatively new period in the shaping of the developed socialist society of the GDR demands that the effectiveness of state organs should be further increased at all levels, that a style of work which is linked to the masses should be implemented even more energetically, and that socialist democracy should be developed in an all-round manner.

The report continues that signficantly higher demands are made of the leading role of the SED, which can rely on an important potential in politically experienced, well-trained communists, hardened by battle. Of the more than 2.3 million members and candidate members, 1,094,328 now possess a party college training and 880,198, upon leaving, a certificate from a college or technical college. The report also deals with the youth policy of the SED, and with what has been attained in trade union work, national education, art and culture, and in physical culture and sport, and notes, finally, that the party will continue to pursue its tested and secure course.

1987 TRADE PROTOCOL SIGNED WITH ALBANIA

AU291712 Tirana ATA in English 1136 GMT 29 Nov 86

[Text] Tirana, November 29 (ATA) -- The protocol on the exchange of goods and payments between the Government of the PSR of Albania and the Government of the PR of Hungary for 1987 was signed in Budapest on November 27.

For the Albanian side the protocol was signed by the vice minister of foreign trade, Marko Xega, and for the Hungarian side by the vice minister of foreign trade, Janos Ambrus. The signing ceremony was attended by the charge d'affaires a.i. of the embassy of the PSR of Albania to the PR of Hungary, Clirim Muzha, and the members of the two delegations.

Albania will export to Hungary copper wires, olivinites, chrome concentrate, textiles and confections [ready-made clothing], handicraft articles, cognac, tins and vegetables, tobacco and cigarettes, etc., and will import semi-finished products, aluminum bloc, [as received] various machineries, medicaments, textiles, lubricating oils etc.

Upon its stay in Budapest the Albanian Government trade delegation was received by the minister of foreign trade, Peter Veress, with whom it exchanged opinions on the further development of the trade between the two countries.

COUNCIL OF MINISTERS URGES BASIC WAGE FREEZE

LD011827 Budapest MTI in English 1610 GMT 1 Dec 86

[Text] Budapest, December 1 (MTI) -- The Hungarian Council of Ministers, in concert with the trade unions, the interest representation organizations of cooperatives and the Hungarian Chamber of Commerce, issued a statement calling on enterprises, cooperatives and institutes not to raise basic wages from December 2, 1986 until April 1, 1987.

Further on in the year the employers are also responsible for wages and salaries must be in proportion with the enterprise and individual performance.

Payment on results can increase in accordance with performance between December 2, 1986 and April 1, 1987. Bonus assigned in the previous year and annual profit-share due to be paid in the first quarter of 1987, should be paid.

JARUZELSKI SPEAKS WITH FOREIGN JOURNALISTS 1 DEC

LD020049 Warsaw Television Service in Polish 2105 GMT 1 Dec 86

[Report on a 3-hour news conference by PZPR First Secretary Wojciech Jaruzelski following the "Jablonna-Six" journalists forum in Jablonna on 1 December -- passages within quotation marks recorded]

[Text] [Jaruzelski] "As many as 10 questions relate to security and the strengthening of peace on our continent. A few questions also relate to the phrase about the need to Europeanize Europe which I used in my recent speech in Zielona Gora. Mr Peter Bender, representing the WRD radio station in West Berlin, asks straight out: What should I understand this slogan to mean? On the other hand, Comrade Aleksey Grigoriyev from TASS asks whether I yet perceive signs of tendencies toward the Europeanization of Europe and also, what the contribution of the Polish People's Republic toward the realization of this process might be. I wish to clarify that with this formulation we have in mind, above all, that the time has come for European-wide problems to be looked at more widely, not just in the context of this or that concrete matter. Speaking of Europe, I have in mind, of course, all the signatories of the CSCE Final Act. During the postwar period, we have already had a number of different Europes -- Hallstein's Europe, de Gaulle's Europe, the Europe of the 6 and the Europe of the 12, a -- quote -- better Europe, and a -- quote -- worse Europe. There are three economic groupings and two military alliances in existence. That is quite a lot for such a small continent. Recently, matters began to look as if a part of the old continent might, indeed, become a provincial backwater, for we hear ever more frequently about the civilization of the Pacific.

"Europe has been and will remain, probably for a long time, a most sensitive political seismograph of tensions between the United States and the Soviet Union, and more widely, in East-West relations in general. It fares worse in these tensions, anyway. Therefore, for all Europeans, regardless of the political system of any country, it is of the greatest objective value to stabilize this most sensitive point of the globe. It was visible, for example, during the greatest heightening of the Polish crisis. The calculations for political turning to profit of our crisis have gradually given way, though unfortunately not everywhere, to anxiety over the fate of peace endangered by the possibility of further destabilization in Poland. With today's means of transport and communications, the geographical nearness of European countries is not so decisive an argument as in the past. However, there still exists a certain civilizational and cultural quality, which, in our view, should not share the fate of the mythical Atlantis. It is difficult not to note that the subject of Europe's survival and renaissance has been met recently with growing interest. It has been raised by both Mikhail Gorbachev and Pope John Paul II; it has been discussed by communists and representatives of center parties, social democrats and more prudent conservatives, and clearly it is becoming an issue of burning topicality. Of course, there are also voices that see behind the notion of Europe's unity only an all-European unity of anticommunists, or, more often, the freedom to act unpunished on the whole continent for every imaginable Colonel North -- but I am not talking about him here. The processes of mutual isolation and distancing in both parts of our continent unfortunately have become a permanent feature. The Eastern part of Europe is undertaking a great effort of widely understood reconstruction and acceleration, and I would caution you not to underestimate this phenomenon or its scale, especially the Soviet Union's and the socialist countries' chances for economic and technological development. Several times in the past already, if I may recall, let us say, the first Sputnik, such calculations have turned out to be painfully unrealistic.

"Mr Peter Benses asks: To what extent is the Rapaki Plan still topical? Would Poland be prepared to become part of a zone free of chemical weapons, as proposed by the SPD and the SED?

"Mr Detmar Kramer from the West Berlin RIAS, with reference to the SED and SPD initiative regarding a nuclear-free zone and those parties' initiative concerning the establishment of a zone free of chemical weapons in central Europe, asks: Would it be also desirable for Poland to join in with these proposals, just as the CPCZ has?

"Comrade Franz Mitting from NEUES DEUTSCHLAND asks: What is the value today of designs such as the Rapaki plan, and what is Poland's position with respect to their possible realization?

"Well, I had an opportunity to speak about the Rapaki plan at length at the last meeting, 2 years ago. We Poles are happy that an initiative born here in Warsaw should be so long-lived. But we are sad that so many years have been needed for its advantages, its precedent-setting nature to be universally noticed. I shall reiterate once again: The story of the Rapaki plan, and then the Gomulka plan, is above all a story of lost opportunities. Poland has never withdrawn the Rapaki plan. The recent animated discussions around plans for zones and corridors free of nuclear arms and armaments in Europe and on other continents, once more confirm the soundness and far-sightedness of the plan and its guiding principle of persistent search for ways to strengthen peace and security on regional scale.

"Above all, I would like to express unequivocal support for the SED and SPD plan, which was joined in by the CPCZ as a co-author, regarding the creation of a nuclear-free zone in central Europe.

"Three questions refer to -- and this is probably quite understandable in this circle -- Polish-American relations. I shall quote them in full. "Ms Christa Krunege from the HORIZONT magazine, the GDR, says: In November government-level talks between the PPR and the United States took place for the first time since 1981. What were the expectations in the course of these talks regarding the lifting of U.S. economic restrictions and improving political relations?

"Mr Peter (?Kendall) from the U.S. CBS news radio and television network: How would you describe the state of Poland-U.S. relations and how, in your view, could it improve?

"Comrade Valentin Zorin from Soviet television: In respect to Poland, Washington continues to use a policy of economic restrictions. Do you think that changes are possible in this field? If so, in what direction?

"I will reply succinctly since I do not think that I have anything particularly new to say at the moment which could be used for a report on the front pages of newspapers or on television news. First, concrete talks with representatives of the U.S. Administration have begun. And that, in fact, amounts to the only information that I can communicate to you. It is in their nature that diplomatic negotiations bear unnecessary or premature publicity badly. The fundamental causes that continue to hamper the normalization of Polish-U.S. relations are public knowledge.

"As far as facts are concerned, practically nothing has changed in that respect. I am thinking here above all about the continued unlawful economic restrictions against Poland and the propaganda aggression -- as we call it -- which is continuing with unabated force.

"The talks in Vienna constituted merely a preliminary -- and not at all easy -- exchange of views. But I have now used the word dialogue so many times that I would not like to repeat myself and call the Vienna meeting the beginning of a dialogue. However, I would like to say that there is invariably goodwill on our side, and the desire for relations between our countries to improve.

"The next question was asked by Mr Lothar (?Loewe) from the WDR, [Westdeutscher Rundfunk radio network] of the FRG: Could you describe the state of relations between the Polish People's Republic and the FRG? What, according to you, are the most urgent bilateral problems that require a solution? I would like to answer this question more extensively. That is because for us Poles nothing that concerns Germany is alien. In this matter, without exaggerating too much, we have 38 million diplomats. Second, in the FRG policy there appear various phenomena toward which Poland cannot and is not indifferent. Finally, since your meeting is devoted to prospects of accord and cooperation in Europe, relations between Poland and the FRG are, by their nature, one of the major factors. Usually the state of relations between our countries can be defined by one adjective. In the case of the FRG, this is not possible. They are not totally good or totally bad. In recent years a puzzling paradox appeared in them. The FRG is a Western country with which we have the highest tourist and cultural exchange; a constant political dialogue at various levels and, of course, economic relations. I will say at once that we want to and we will strengthen and broaden cooperation with the FRG in line with the principle of mutual benefit. There is no shortage of goodwill as far as Poland is concerned. But we must stick to the facts; we must note that some politicians in FRG are in a hurry to build a facade, but do not care about the foundations. Particularly striking, if I may use this expression, is the lack of enough substance in the economy. There have been many promises, but when it comes to concrete deeds there appear unsurmountable difficulties.

"How can we plan the main directions of our cooperation if in the economic sphere the views of the leadership circles in FRG and facts coming from such views change practically according to the weather, which in our part of the continent; as you know, is capricious and changeable?

"I also cannot leave unnoticed or just briefly mention some antics, as they cannot be described differently, by some competent representatives of the FRG, which we have been dealing with recently. Recently, at a meeting of one of the working teams at the Vienna CSCE meeting we heard about Polish territorial control; The western part of Poland was referred to as such. As though the treaty of 1970 did not exist, and also the Potsdam Treaty, and as though the CSCE Final Act was not signed. One has the impression that German realpolitik has left its homeland, or at least it has ceased to be a strong element of the Bonn policy. We see a real possibility for considerable, even great expansion of bilateral cooperation in all spheres. We appreciate the efforts by realist circles, which go in the same direction. That includes a part of the FRG political activists. Thus, we do not foresee any major obstacles for both of our countries belonging to the opposed political and military groups to act jointly for the return of detente.

"Italian journalists also put forward a question on the present state of Polish-Italian relations illustrating it as follows: The Polish-Italian economic relations have been given a particularly important impulse recently. What is the official decision by Fiat concerning investments in Poland, and what is the Polish stand in this matter? I could obviously characterize the state of Polish-Italian relations, but we have a Polish saying: Do not count your chickens before they hatch.

"Today I can only say that the relations are gradually developing. In particular, there is a chance for catching up with a deep drop in trade turnover reaching as much as 40 percent. As far as the opinion of our authorities is concerned on an agreement between Fiat and the Polish motor industry, I would like to underscore first of all that a decision of such importance for the future cannot be made on the grounds of political sympathy or preference.

"Technical and especially economic considerations should decide this. The work of our specialists is currently under way. Their proposals will be considered by the state leadership. The Sejm will, at the appropriate point in the procedure, be informed about the whole matter. The experiences of the 1970's, including the unfortunate, voluntaristically propounded contract with the French Berliet enterprise, taught us much.

"Dutch journalists put forward the following questions: Is there an accord between the government and the Vatican in the matter of the visit of John Paul II in Poland in June of next year? If so, what places will the Pope visit? A few days ago, on Friday, the 36th session of the joint commission of representatives of the government and the Episcopate took place. The church presented proposals regarding the third visit of John Paul II in our country. The subject has only just been initially discussed, so it is difficult for me to say something more as yet. On the other hand, it is necessary to remember about one thing in particular. That is, the appropriate conditions should be created for the visit of the Pope, and above all an appropriate climate in the totality of state-church relations, which is constituted in decisive degree by the attitude of the priesthood toward our state. A good climate is exceptionally important for a successful visit, bringing benefit to the faithful and to Poland. Furthermore, I also see in it yet another valuable occasion confirming the very strong, admirable commitment of John Paul II in the cause of the defense of peace.

"I pass on to replies to a number of questions which relate to the evaluation of that which has occurred in Poland in recent years. Mr Bernard (?Jewelmann) formulates it as follows. Five years have passed since the declaration of the state of emergency. Can you say what are, in your opinion, the most important positive changes that have ensued during these years? What main problems remain? Is this the economic crisis and indebtedness or the skepticism of a significant part of society or opposition from the side of the disillusioned and embittered members of Solidarity?

"Mr. (?Theofilos Sango Pokouplos) from Greece, representing ETHNOS, asks: How did you overcome the crisis that was dominant in Poland just 2 or 3 years ago and which, as I see today, is almost defeated. On the other hand, Mr Hans Gerlach from the KOELNER STADT-ANZEIGER, from the FRG, put forward a question which reads: How does the general evaluate the current sociopolitical situation in the country, and especially the course and results of the recently ended 10th congress?

"I will start with the last of these questions. Precisely at its 10th congress, our party undertook a comprehensive review of the last 5 years. The 10th congress was, however, above all oriented toward the future. Precisely, the first long-term prospective party program outlining a vision of the building of socialism in Poland stretching to the 21st century was passed. I had occasion to speak extensively about the meaning of the 10th congress amid a large body of journalists precisely here, in this hall, the day after its end.

"From the perspective of a few months, I feel that the evaluations presented then have not lost their validity. I will limit myself here to indicating that which seems to me to be the most important. And so, first, the congress confirmed the correctness and sketched new horizons for the line of socialist renewal, formulated at the ninth extraordinary congress. And, secondly, the ninth congress have new impulses to economic, social and political processes in our country. Currently, in a lively, constructive, although not free from controversy, discussion, the process of converting the decisions of the congress into practice is continuing; there are concrete timetables of implementation. I refer here to the national report-back and election campaign of the party now ending nationwide. A significance achievement was also brought in by the just-concluded Congress of the Reborn Trade Unions. Enlivened work is also under way in Sejm commissions, in the People's Councils, in the self-managements. An important role will be played by the approaching Third Plenum of the PZPR Central Committee.

"It is difficult to describe briefly the balance of events which occurred in Poland in the last few years. The realities of our country are very complex, multilayered, multicolored. I shall return to specific matters further during our meeting when answering other questions. Here I wish to limit myself to the following issues: the issue is one of terminology. I admit that we are partly responsible here, as it was we who introduced into everyday language the word normalization We often say that we have achieved a state of normalization, of sociopolitical normalization in Poland, and that the situation has been normalized. This can be understood erroneously, as a return to how things used to be once, a return to the past, whereas our basic, frequently repeated and stressed intention is as follows: There is no return to the situation that existed before August 1980, or to the situation that existed before December 1981.

"Several questions also concern the process of national accord of the widely-understood sociopolitical issues in Poland. Mr Hans Gerlach asks about the prospects of broadening the dialogue between the party and the nation, in particular with those people who were in Solidarity. Mr (Yuleman) asks directly about the steps I intend to take following the announcement of the amnesty for all political prisoners in order to regain trust. Comrade Karl Von Schnitzler from GDR television asks about the social response to the proposed formation of the Consultative Council at the Council of State, and about the chances of this proposal being implemented.

"The question of Mr du Pop from Belgian radio is on the same lines: Did the dialogue which started after the announcement of the decision to form the Consultative Council with some Catholic groups, also occur during the meeting of the government-Episcopate commission which met last Friday? [as heard] Within the framework of the consultations were decisions made regarding the competences of the council? -- As you see some of the questions are very detailed and most probably (? there is no need) for a specific answer to them. Nevertheless they deserve proper attention, and I will give them such attention. I must admit, however, that I will be disappointed if there are no questions about the dialogue, the accord, the regaining of social confidence, because over the past few years we have really become used to these questions. These issues are raised frequently in interviews given by me, at all press conferences, and this is not by chance.

"The national accord, the constant improvement in the social climate is a specific feature of the changes that have been taking place in our country over the past few years. We have advanced a long way in the process of developing socialist democracy. I could spend a long time listing improved or newly-introduced -- often highly innovative -- solutions and mechanisms.

"But these solutions, institutional solutions only truly count when they are filled daily with the living, pulsing tissue of working people's and the entire society's involvement. It is precisely that which we today recognize as the most important thing for further progress in the development of socialist democracy and in the process of national accord.

"To illustrate this trend I shall limit myself to just one, the most topical, example -- the trade unions. After all, we are meeting a day after the conclusion of their congress. Every objective observer has to admit that the class trade-union movement today constitutes the most numerous, and at the same time authentic, working people's representative body in our country. I took part in the work of the congress with great interest. I have to admit that the trade unions are not an easy partner for the government, for the administration. This time, too, issues were vigorously posed. On many questions there were even opened disputes in support of these or those issues. But the discussion and the atmosphere of the proceedings were characterized by a sense of responsibility and concern for the course of affairs of highest importance for the nation.

"A large number of foreign delegations participated in the congress proceedings which represented just under 7 million trade unionists. I had the opportunity to meet their representatives. We talked about the trade union situation in other countries, including capitalist ones. As we all know, not everywhere are things easy for trade unionists. There are countries where trade unions simply cannot operate, while in others the share of unionization is not impressive. For example, in France it amounts to only some 20 percent; in the United States, 25 percent; in the FRG, about 30 percent. Less than half of those entitled are trade union members in Great Britian or Italy, Therefore it is all the more surprising that the governments of many Western countries, and the mass media, devote so much attention and concern to the position and activity of trade unionists in Poland.

"We wish the working people of such countries problems no worse than these when working in trade unions, the problems which are faced by Polish trade unionists. Two questions raise the issue of a consultative organ at the Council of State. They were asked by Mr du Pop, from the Belgian radio, and Comrade Karl Edward von Schnitzler, from GDR television. We attach great importance to this initiative; this is an experiment which is bold and unprecedented. The first meeting of persons invited to participate in the consultative social council -- and 70 percent of them are non-party people -- this meeting will be held in a few days' time. I cannot therefore preempt anything simply because I do not know which way it will go and what its results are going to be. This will be, however, no doubt, a signal worthy of attention and a kind of a test whether our intention to broaden the platform of the authentic dialogue with more -- let us call them independent groups and social milieux -- will be met with sufficient understanding. We really want it to happen. However, I must stress that the fate of Poland and the fate of the accord are not directly and exclusively dependent on the results of this meeting. There are, and are broadened, and will continue to be broadened, so many forms of socialist democracy. We have created and we shall continue to create various platforms for dialogue, and it would not be proper to decrease their importance by considering this particulr form of activity decisive.

"Conservative tendencies in Polish political thought have tended rather not to win fame for their predictive abilities. Many times in the past, including the most recent past, they were left on the platform with a ticket in their hands, when the train of history had already left. This also induces us to treat this important experiment with full seriousness, with hope, but also with caution.

"Mr Newholme, from the Danish (?JYLLANDS POSTEN), evaluates that, in connection with the implemented economic reform, the PZPR seems to be coming across serious problems in the sphere of the effective motivation of workers and the removal of bureaucracy on the road to the attainment of a higher economic level. In connection with this, he asks whether I would agree with the assertion that the party and government are blocked in their activities by both groups, by both those groups as also by the management cadre of the middle rank. Comrade Kolchanov, from the Soviet paper TRUD, formulates his question as follows: A new stage is beginning in the implementation of the economic reform in Poland. What are the most characteristic aims and elements of this stage from the economic and social side? What, from your point of view, should the role of trade unions be here? In this context, Mr Berndt Konrad of DIE WELT, the FRG, comments that in Poland one hears much criticism, for instance from the side of the trade unions, and also asks how, in this situation, it is possible for there once more to be harmony in internal relations. Again, very many questions. They are very wide-ranging. It will be difficult to reply to them in detail, but I will try to respond to them in sufficient, as I judge, degree.

"There is only one way to solve our economic difficulties. This is the raising of the social productivity of work; the attainment of a fundamentally higher economic effectiveness in management, the gradual but fundamental change of the structure of production; the more effective and faster introduction of scientific-technical progress, including modern, energy-and material-efficient technologies. It is obvious that it is easier to say than do this. Putting the thing in concise terms, the point is the necessity of a strict subjection to hard economic rules; the point is that the principle of effectiveness should become a priority for everybody. Such is precisely the leading idea of the second stage of the economic reform on which we are now working.

"A task has been in the foreground for all activities of the economic front, and also self-management and trade unions -- the task of consolidating the economic balance in the economy, that mechanisms of the reform could work to the full. Shaping the feeling of being a joint master of the work enterprise in every employee is not a theoretical formula far from reality, but an important key to effectiveness. Please do not treat it as a polemical ornament, but our course for acceleration is of an entirely different character than periods of prosperity in capitalist countries. Its source is not, as some say, the superiority of the capitalist system, but the exploitation of working people, millions of unemployed, and also the exploitation of great parts of the Third World. Many of those countries who have fallen into a dept trap have in fact become exporters of capital to the main metropolis of world capitalism, a supplier of cheap labor and raw materials bought below their real value.

"A question by Mr Berndt Konrad of DIE WELT reads: Poland's economic problems, and requirements of the IMF, demand the undertaking of essential, partly painful ventures. Which of them do you consider to be priority ventures? And Mr Hans Gedlock formulates the matter as follows: The negotiations with the IMF are in progress; what will the economic consequences be for Poland on joining the fund?

"First of all, I would like to underscore that we have never considered our joining the IMf, or rather, the return to the IMf and the World Bank, as a panacea for solving our debt problem or problems of our economy.

"On the other hand, we consider that Poland's membership in these organizations ought to encourage the strengthening of the position of our country as a participant in the international credits market and as a partner vis-a-vis the creditor states. The negotiations with the IMF and the World Bank are at an early stage. The implementation of the second stage of the economic reform ought to encourage the creation of conditions which correspond to the criteria applied by these institutions in the sphere of credit policy."

[Reporter] Next, Wojciech Jaruzelski answered questions from the floor. Vikentiy Matveyev, from IZVESTIYA, Moscow, asked about evaluation of the Western response to the question of the numbers of Soviet and U.S. medium-range missiles in Europe.

[Jaruzelski] "This reaction is really surprising, not only to me, but to many other people; just as surprising is the reaction -- I shall express this in somewhat extreme terms -- to any case of attempted suicide. After all, the countries of Europe, including Western Europe, ought to be especially interested in removing from this sensitive area these most deadly and dangerous weapons. Hence, one should express surprise that the leaders of the states mentioned by you assumed this stance, the stance which, in my conviction -- and here I am speaking not just as a politician but also as a military man -- is incomprehensible and is a stance which causes deep regret. Unfortunately this expresses the clear and noticeable dependence of certain moves and decisions of some countries of Western Europe on the global policy conducted by the United States. In a given case such dependence causes these results which deepen the divisions in Europe -- as I have already said in answer to earlier questions -- which do not encourage detente and which create an additional sphere for our joint anxiety."

[Reporter] Next, Jan Otto Hauger, from Norway, asked if one can imagine Poland in a few years' time without the black market.

[Jaruzelski] "We would prefer for this black market not to exist, and the economic activities which I have already mentioned aim, above all, at gaining economic equilibrium.

"And economic equilibrium means the death of the black market. That is why we attach such great importance to the second stage of the reform, which should contribute to the increase of effectiveness of our economy, to its full recovery, and to removing every ill and unfavorable phenomenon that still exists in our social and political life."

[Reporter] Editor Eichmann, from the GDR, asked about the response to a proposal to organize a conference in Warsaw of the CSCE signatories on the 50th anniversary of the outbreak of World War II.

[Jaruzelski] "I am of the opinion that such a meeting -- if it were to take place, and that is what we want very much -- would allow us first of all to achieve an important political effect, a psychological and moral effect. It would allow us to sit at one table and consider together the most vital issues of the present time. This is not a proposal which tries to advertise Polish initiative, or Polish activeness. It transpires from the deepest conviction that all possible actions have to be taken which can contribute to better understanding, which can relieve various rancours, doubts, and prejudices; and we are of the opinion that both the date and the country -- Poland -- create favorable and proper conditions of both time and place. This has been behind our initiative."

[Reporter] Jane Falkland of THE WASHINGTON POST has a question about the issue of divisions in society and about activities of illegal underground structures.

[Jaruzelski] "Many times we have drawn attention to the fact that the mass media in the West falsely and wrongly use an expression that on one side there are the authorities -- the party and the government -- and on the other, society; and that there exists an antagonistic contradiction between two sides. An explanation would take considerable time, and after all we have had an opportunity to talk on this subject more than once, but the facts testify best, and all processes which are taking place in Poland and which are the clear proof that a decisive majority of our society stands on the ground of our political system, on the ground of constitutional principles, and that it takes active part in overcoming all difficulties that our country is struggling against, that it gives expression to that by taking part in political events of various kinds, such as the election for the Sejm last year. I could give many more such examples. We are not negating, we are not stating that there are no forces or people in Poland who are against the present socialist state, who conduct activities against the state. Here I have, I would say, a somewhat spicy piece of information. On the 30th, that is, yesterday, a Transinternational Route truck was stopped, this is a big truck from Sweden, carrying materials for illegal activities, including 84 most modern duplicating machines, printers, and disc drives; several computers; a radio transmitter; and 12 offset printing machines.

"I did not cite this fact accidentally, as these forces, these circles which act from illegal positions, contrary to the law and against our state, act on the basis of very close ties and with very strong support from external agents, which thus and in many other ways reinforce them. I judge that if all those who wish Poland well -- or at least say they wish us well -- left us to ourselves, did not help but did not hinder, we would definitely find our own, Polish, sovereign solutions significantly faster, ones that serve the nation and influence the direction which we have accepted and consistently wish to implement: socialist renewal, strengthening the processes of democracy, strengthening the rights of man understood in a socialist fashion. In this, too, the so-called pluralism. Here, against this background, I would like to digress a little. This slogan, the slogan of pluralism, continues to circulate; of course, with such a sub-text that there is no pluralism in Poland. Indeed, for various political pyrotechnicians, pluralism cannot and will not be understood as immunity. In any case, I judge that it does not exist in other countries. On the other hand, Polish socialist pluralism is wide and will be developed. I stress: The point is socialist pluralism, which is richer in our country and often more authentic than in many countries which make various charges against us in this respect. Pluralism is a specific category, a historical one. We are against conceiving it in such a way that -- let's take an example -- pluralism is not for instance, American. Neither American nor miraculous: Pluralism has many historical sources -- English, French, Polish, capitalist and Marxist. It has many faces. We will not put on a mask which hides our appearance. In a word, I would like with this reply to simultaneously convince the questioner that the sincerest and deepest intention of our party is to achieve good order in our state, the widening of the plane of national accord, the creation of the widest possibilities for all people and all citizens of our country to participate in these structures, today so rich in socialist democracy, which create full possibilities for a political release of energy and an attainment of full satisfaction in solving those tasks which the country stands before."

[Reporter] Lotahr (Loewe) from the FRG's (?ARD) television asked about the attitude toward a possible future visit to Poland by the FRG chancellor and whether it could contribute to improving bilateral relations.

[Jaruzelski] "At present preparations are in progress in the FRG for another election and it is not our business to involve ourselves in them by talking about or counting on this or that visit by this or that person from that state's leadership. But that of course would be a formal reply. The factual, substantive reply should, in my view, lead to the creation of real facts, to real premises for mutual relations for which subsequent high-level visits create a kind of superstructure, which they strengthen and provide new impulses [sentence as heard]. As I have indicated in replies to earlier questions, there exist many problems which require urgent solutions, urgent cleansing on the grounds of our mutual relations, and the sooner it gets done the quicker -- and I think with mutual benefits -- we will be able to meet top-level FRG representatives."

PRESIDIUM DISCUSSES SUPPLIES, PRODUCT QUALITY

LD012354 Warsaw PAP in English 2120 GMT 1 Dec 86

[Text] Warsaw, Dec. 1 -- The government Presidium met here today to discuss problems related to the market and trade. They noted that the supplies of consumer goods were gradually improving and their general size grew faster than envisaged by the 1986 central annual plan. This particularly applies to food market, chiefly because the supplies of meat and related products are expected to be 10 per cent higher as compared with 1985, thus permitting to introduce bigger meat rations in some periods.

The Presidium stated, however, that apart from meeting the quantitative needs, the problem remains of matching the quality and structure of the supplies of some foods with the demand.

There is a shortage of coffee, with 4,100 tonnes less than planned. Among industrial products, there exist shortages in clothing and textiles. The supplies of garments are scarce and they should be better adjusted to the market demand. This also applies to the production of footware. The government Presidium recommended measures that would upgrade the discipline in keeping production outputs at levels specified in the central annual plan.

The market supply of food this December will be better than at the pre-Christmas periods in previous years. The market will also get considerable supplies of citrus fruits. Durables traditionally sought after before Christmas will also be available in greater quantities.

The Presidium heard a report on the supplies of deep-sea fish and its products destined for home market. Despite slightly smaller catches, the supplies of fish are expected to be sufficient.

The Presidium discussed the problems of commodity exchange with other countries, stating that the role of exchange of market goods had grown in the recent years, especially when carried out by state-owned or co-operative internal trade units with socialist countries. The government Presidium stressed that the possibilities for a broad exchange of market goods have not been used up yet. The discussants recommended that the minister of internal trade and services, and the minister of foreign trade should assess the functioning of the market goods exchange system and introduce changes simplifying the principles of this exchange.

The Presidium acquainted themselves with the evaluation of the quality standards represented by industrial products and the efficiency of functioning of the quality-boosting instruments of economic influence. The Presidium stated that the recession in the field of quality, especially noticeable between 1980 and 1982, had been partially halted. There has been an improvement regarding some groups of products but the obtained results are not proportional to the scale of undertaken activities, the user's expectations, the export needs, and the potential capacity of the industry and its research institutions.

The government Presidium stressed that production quality should be made a substantial element of the system of economic management, and that it should be given appropriate rank and place in the socio-economic plans of Poland's development.

The Presidium adopted a draft government decree on changes easing the income tax regulations, creating favourable conditions for investment activities in the priority enterprises of the industrial and services sector.

Today, members of the government Presidium visited some shops and major trade outlets in Warsaw. They were interested in the organization of work, quality and choice of the goods offered for sale, and their harmonious supplies.

AUTHORITIES BAN HUMAN RIGHTS GROUP

NC291221 Paris AFP in English 1207 GMT 29 Nov 86

[Text] Paris, Nov 29 (AFP) -- The Polish Human Rights League has been banned, only 11 days after registering with the authorities, the International Federation of Human Rights announced here on Saturday.

It said that it had received a letter from the League's officials in Stettin saying that the Polish authorities had announced the ban on November 7. The League registered its statutes on October 27.

The authorities justified the decision on the grounds that "the state organs are the only bodies with the legal and exclusive right to guarantee the constitutional rights of citizens."

The officials said they had asked for further details and reserved the right to appeal.

The Polish League applied for affiliation with the International Federation the same day as it registered. Its request is due to be considered when the international body holds its next meeting in Spain on December 5 and 6.

JOINT COMMUNIQUE ISSUED ON VISIT OF SFRY'S HASANI

LD221401 Belgrade TANJUG Domestic Service in Serbo-Croatian 0936 GMT 22 Nov 86

[Text] Belgrade, 22 Nov (TANJUG) -- A joint Yugoslav-Romanian communique on the visit of Sinan Hasani, president of the SFRY Presidency, to neighboring and friendly Romania and the talks which he had with Romanian President Nicolae Ceausescu was released today in Belgrade and Bucharest. Colleagues of the two presidents also took part in the talks.

The communique stresses that the exchange of views on bilateral relations and the most important issues of international relations was informative. It took place in a very cordial and friendly atmosphere. The two presidents also informed each other about the social and economic development of both countries.

Sinan Hasani, president of the SFRY Presidency and Nicolae Ceausescu, president of the Socialist Republic of Romania, affirmed with satisfaction that relations between Yugoslavia and Romania and the peoples of the two countries are developing successfully in the spirit of good-neighborliness, respect and trust, on the lasting foundations which were established during the numerous meetings between President Josip Broz Tito and Nicolae Ceausescu and other top-level meetings. On this occasion, too, both sides stressed the importance of the consistent respect and application of the principles of independence, sovereignty, territorial integrity, equality, mutual benefit, noninterference in internal affairs and respect for the internal development and international position of the two countries, which represents a lasting basis for good-neighborliness and a model of relations between two friendly and neighboring countries.

The great importance was stressed during the talks of top-level meetings for encouraging the development of relations and cooperation between the two countries at the bilateral and international level, in a spirit of friendship and understanding.

Particular satisfaction was expressed with the traditional friendship which links the peoples of the two countries and which is constantly being consolidated by developing cooperation between the parliaments, governments, socio-political organizations, republics and provinces, districts and towns. The two sides called for measures to make this cooperation even richer.

The stands on minorities expressed in the joint communique of 1983 were affirmed in the talks and it was stressed that national minorities are a factor in good-neighborly relations and friendly cooperation between the Romanian and Yugoslav peoples.

Sinan Hasani, president of the SFRY Presidency, and Romanian President Nicolae Ceausescu devoted particular attention to the economic relations between the two countries and expressed satisfaction with the increase in cooperation achieved this year. They positively assessed the efforts and actions which the governments of both countries, the mixed Yugoslav-Romanian committee for economic cooperation and other economic organs and organizations have undertaken in this direction. The determination of both sides was underlined to invest further efforts to expand and diversify trade, as well as long-term industrial cooperation and specialization, making use to an increasing extent of the advantages which are afforded by the level of development of the two economies and their proximity. In this context specific actions, ways and methods of developing bilateral economic cooperation were examined.

The construction of the Djerdap 1 and 2 hydroelectric and navigational systems was singled out as an example of the great achievements attained by the joint efforts of the two countries.

The two presidents agreed to invest further joint efforts with an aim to developing cooperation and industrial cooperation in the areas of electronics, electrical engineering, machine building, and the chemical and petrochemical industries. Also underlined were the broad possibilities for cooperation in ferrous and nonferrous metallurgy and other areas.

Emphasizing the importance of existing agreements on industrial cooperation and specialization, the need was also noted for them to be as fully and promptly executed as possible, for their validity to be extended and for the conclusion of new mutually beneficial contracts on production at a high technical and technological level both to meet the needs of the two countries and for third markets.

The communique notes the importance of further developing and enriching cooperation in the spheres of science, culture, education, health, tourism, sport and greater public information of the two countries on the development and successes of Yugoslavia and Romania with the aim of improving mutual acquaintance with their historical development and material and cultural values in the spirit of traditional friendship and cooperation.

Sinan Hasani, president of the SFRY Presidency, and Romanian President Nicolae Ceausescu stressed that the all-round development of Yugoslav-Romanian bilateral relations, their constant strengthening and promotion, maintain the high level of trust and mutual understanding and are in the interests of the peoples of the two neighboring and friendly countries, equitable cooperation, peace and stability in the Balkans, in Europe and in the world.

Sinan Hasani, president of the SFRY Presidency, and Romanian President Nicolae Ceausescu conducted a broad exchange of views on topical questions relating to the international situation and stressed the identity or closeness of views of the two sides.

Concern was expressed over the complicated international situation, which is the result primarily of the arms race, particularly in nuclear weapons, the existence of numerous crisis centers in various parts of the world and the expansion of armed conflicts, the deepening of world economic crisis and very serious deterioration of the situation of the developing countries, and the continuation of the policy of force and interference in the internal affairs of other countries by means of force and the threat of the use of force.

For this reason special attention in the talks was devoted to strengthening peace and security in the world, halting the arms race, disarmament, consolidating the CSCE process, and ways of achieving a relaxation of tension in international relations.

The two presidents stressed the particular responsibility of the great powers for halting the arms race and securing peace, and supported their dialogue and negotiations, as well as all constructive initiatives which lead to agreements and concrete and realistic measures for disarmament. At the same time it was stressed that international problems of disarmament, peace, security and development can not be resolved by the great powers alone, but that it is essential for all countries of the world to participate and take action in this.

The two presidents positively assessed the successful results of the Stockholm Conference on Confidence-Building Measures, Security and Disarmament in Europe and welcomed the further continuation of the CSCE process with the commencement of work at the Vienna meeting.

Yugoslavia and Romania are strongly in favor of developing bilateral and multilateral cooperation between all Balkan countries and turning them into a zone of peace, security, cooperation, good-neighborliness and agreement-reaching, without nuclear and chemical weapons. Yugoslavia and Romania call for a reduction in the tension in the Mediterranean and for turning this region into a zone of lasting peace, good-neighborliness and cooperation.

The two countries stress that in various regions of the world there still exist hotbeds of crisis and call for efforts to be made to resolve them exclusively by peaceful means, through negotiations, in keeping with the UN Charter, and with the equal participation of all the countries involved. The need was underlined for the complete eradication of the application of force and threats of the use of force in relations between states. Special attention was devoted to international economic problems and the increasing gulf between the developed and developing countries, which is one of the sources of tension and general instability in the world.

The positive role of the policy and movement of nonalignment, as an independent, nonbloc global factor in international relations was stressed. The importance was underlined at the Eighth Conference of Heads of States and Government of the Nonaligned Countries in Harare for the relaxation of international tension, disarmament, the solution of crisis centers, peace, security, development and equitable international cooperation.

Sinan Hasani, president of the SFRY Presidency, extended an invitation to Romanian President Nicolae Ceausescu to visit Yugoslavia. The invitation was accepted with pleasure.

MANESCU SPEAKS AT BUCHAREST PEACE RALLY

AU260934 Bucharest SCINTEIA in Romanian 22 Nov 86 p 4

[Speech by Manea Manescu, member of the Political Executive Committee of the RCP Central Committee, at mass peace rally held in Bucharest 21 November]

[Text] Much esteemed and beloved Comrade Nicolae Ceausescu, RCP secretary general and president of the Socialist Republic of Romania, much esteemed Comrade Elena Ceausescu, esteemed Comrades: Please permit me to declare open the large mass meeting of the working people of Bucharest devoted to disarmament and peace which is taking place on the eve of the 23 November national referendum, an event of particular importance for the political and social activity of our socialist homeland.

At this large mass meeting, with profound respect, love, and gratitude we want to extend warm greetings to the wise leader of our people and the ingenious strategist of the great work of building the comprehensively developed socialist society and our homeland's advance toward communism, whose titanic revolutionary activity covers more than a half a century of Romania's present-day history, the RCP secretary general, president of the SR of Romania, the chairman of the Socialist Democracy and Unity Front, great hero of our nation, and the great hero of peace, Comrade Nicolae Ceausescu.

With great esteem and appreciation we greet the presence of Comrade Elena Ceausescu, chairman of the National Council for Science and Education, chairman of the Romanian National Committee "Men of Science and Peace," outstanding militant of the party and state, and scientist of world reputation whose extensive activity is dedicated to developing Romanian science and to ensuring the country's progress and peace in the world.

With particular regard we greet the presence of the other comrades of the party and state leadership and of all participants in this meeting.

Esteemed Comrades, the party, its secretary general, and the president of Romania consult the people in all circumstances of our homeland's political and social activity and in formulating decisions of particular importance for the present and future of our country. Fully part and parcel of the system of our workers revolutionary democracy, the 23 November referendum represents the constitutional framework within which our socialist homeland's citizens are called upon to decide on an important issue of democratic and foreign policy.

The whole nation will have its say in connection with proceeding to a unilateral 5-percent cut in weapons, troops, and military expenditures by the end of the current year, a political act that is an expression of our national independence and sovereignty and of the inalienable prerogatives of our people and of the president of Romania. The fervent call from the rostrum of the Grand National Assembly launched by Comrade Nicolae Ceausescu to the Romanian people in the name of their supreme interests and in behest of protecting the assets of universal civilization to intensify their struggle for disarmament and peace has won great response by all sons of our homeland. The fervent and enthusiastic events that took place throughout the country on the eve of the referendum clearly prove the firm desire of the citizens of Socialist Romania -- inspired by fervent revolutionary patriotism -- to say a decisive Yes to disarmament and peace to ensure the supreme right to freedom and independence, and to life of all peoples.

Romania and its president believe that the time has come to proceed to a new and bolder approach to the complex problems of disarmament, primarily nuclear disarmament, and the problems of peace, and development. These supreme imperatives of the present-day world are the basis of the extensive initiative of our eminent president aimed at a unilateral cut in weapons, troops and military expenditures which was received with particular interest by a number of governments, politicians, large circles of men of science and culture, and by world public opinion. In the hopes that this example will be followed by other countries, Romania is vigorously asserting its humane option and desire for peace and its firm determination to unswervingly struggle for constructive measures that will ensure an atmosphere of trust and international justice, and cooperation among all nations, and for a world without weapons and without wars.

Esteemed Comrades, our hard-working people, closely united with the RCP and its secretary general, welcome the 23 November referendum deeply engaged in implementing the historic decisions of the 13th RCP Congress to ensure a new quality of work and life, to raise the country's socioeconomic development to higher pinnacles in the current 5-year plan and in the next 10-year period and beyond, to the horizons of the year 2000.

The fruitful work performed by our whole nation to ensure the homeland's many-sided progress is greatly inspired by the excellent and elevating example set by the party secretary general and president of the Republic, Comrade Nicolae Ceausescu -- the ingenious founder of Socialist Romania and prominent figure of the present-day world whose excellent activity blends his boundless love for the country with his dedication for peace throughout the world.

TANJUG INTERVIEWS LCY'S CKREBIC ON REHABILITATION

LD240918 Belgrade TANJUG Domestic Service in Serbo-Croatian 0912 GMT 23 Nov 86

[Text] Belgrade, 23 Nov (TANJUG) -- There is no reason why the LC should avoid talking about rehabilitation. In the same way, there can be no justification for demands to approach this question in a hasty and nervous way, creating expectations about a kind of mass rehabilitation -- that is, in the way some people find it should be done today. In the history of the Yugoslav Communist Party [YCP], that is, the LCY, we have never had a generalized approach to purges or reenrollment of the membership to correct the mistakes of that kind and scope now. Expulsions from the party on a somewhat larger scale only occurred in 1948, because of the support to the Cominform resolution and crude attacks on our country. All the rest were individual cases, stressed Dusan Ckrebic, member of the LCY Central Committee Presidium, in his interview to TANJUG editor Dragica Majstorovic.

The very fact that rehabilitations as a primarily party matter are mainly discussed outside the LC forums and with a great deal of nervousness and, I would say, impatience, speaks for itself. We should say straight from the beginning that there is a certain degree of confusion and even misunderstanding with regard to rehabilitation and a practical approach in this connection. It is indisputable that there are justified demands and reasons for the rehabilitation of specific people. However, here we have attempts to use these people in order to demand the rehabilitation of the policy, which has in most cases already been defeated in the conflict with the LC.

Precisely for all these reasons the LC cannot withdraw from these issues. On the contrary, one should treat them within the context of the overall activity of communists today, both in the sphere of ideological struggle and ideo-political activity to suppress the activity of anti-self-managing forces, and in the sphere of one's own democratic development as a political organization of the working class.

In your opinion, is the question of rehabilitation often an excuse for accusing communists for the past "sins"?

It is dishonest and far from a serious, historiographic and well-meaning approach to dig out the past, to seek and exaggerate mistakes, and thus have prove the alleged dogmatic and Comminform characteristics of the Yugoslav Communist Party. I would be inclined to call this the reverse of honest intentions. This should, stressed Ckrebic, be observed with the context of a broader attack on the YCP, which is only part of the overall scenario for the destabilization of the bourgeois and multiparty system, or the constitution of power based on a state with a hardline policy and a dominating role of the party.

Such people would like to bring disgrace on the YCP, to attribute a "Cominform syndrome" -- exclusiveness, sectarianism and undemocratic attitude -- to it and to prove its dogmatic nature from which it finds it allegedly very difficult to free itself. As a rule, this is not the essence of the matter; all the characteristics and behavior of the YCP in earlier periods and later, as the LCY, are overlooked. One does not want to show that during the war Comrade Tito and the Central Committee waged continual polemics with the Cominterm, that this was "wrestling" with the stands coming from Moscow and which did not show understanding for the specific qualities of our national liberation struggle -- and even less that this was at the same time a class struggle, that is, a socialist revolution.

On those lines are also some views on 1948. Our entire struggle at the time for our own as well as the identity of the party and state is being undermined to the maximum and reduced to Goli Otok [Bare Island, island in Adriatic used as a POW camp] by some who do not wish to admit that 1948 was in fact a resolute settling of accounts with dogmatism and that our revolution's independence and originality were expressed in this way. Those who raise such matters are today also inspired by the so-called bourgeois right, which is attacking the LCY with the aim of discrediting its prestige and role in society.

I am, Ckrebic said, for more intensive historiographical research on the party -- to complement scientific research on its history and present the results of these researchers to the scientific and political public. It is a real pity that we no longer have historical magazines because, as a result of the lack of these publications in our country, the historiographical debate is transferred to various weekly and review magazines which, again, under pressure of the struggle to maintain their circulation and to survive in the market, acclaim petty bourgeois tastes, tend to be superficial, and therefore depart from the truth.

It is precisely in these instances that the continuity of development of both the party and society throughout the whole period of the creation an construction of the new Yugoslavia is forgotten. This continuity has had its turning points and made significant advances, but has also been resisted. We have not had such changes in the path of our social development so as to bring with them massive cadre changes. Therefore, Ckrebic said, continuity in development is our reality and, when we stress this, in no way is this merely a phrase or a "cover" -- these are historical facts.

Are there rehabilitations in our country, when they did occur, and were they always on an individual basis? What happens if time shows that someone had been right?

Rehabilitation is always a concrete act, because it concerns concrete people and personalities. I have already said that, apart from 1948, there were no large-scale expulsions from the party, and, therefore, there is no reason to take up a kind of mass reexamination of our own decisions. On every occasion, every case was reexamined when it came to reenrollment. This is not at all a matter of rehabilitation, but of reenrollment in the LC of those who realized their mistakes and who by their work later proved that they really wanted to rejoin the LCY.

The LC has reexamined its stances and where it considered itself justified, and has modified the decisions it took earlier. Such cases occurred in Bosnia-Hercegovina, Serbia, Slovenia and elsewhere. It is very difficult and a thankless task to enumerate them all because each case really was a special case. I am saying this more because of the fact that the party dealt with such questions and was not without an ear for them.

Rehabilitation is preceded by a very careful reexamination of various circumstances connected with each individual person. Even then, when time proves someone was right, this still is in no way relevant to changing the decision. The question is asked what the activity of a specific individual has been in the meantime, whether he has remained with the LC or has gradually departed from it and gone over to the other side. If all his work in the later period was against the LC, against self-management, if he was on the side of opposition forces, or if he has become steeped in nationalism, what kind of rehabilitation can such a person expect from the LC? Therefore, any reexamination of earlier decisions is always done on an individual basis and must take into consideration the numerous problems of that time and also current circumstances.

In any case, I would wish to point out that in the LC there is no social need for any broader reexamination of party decisions from the earlier period. Every period in the life of the party has been verified at the congresses and there is no need for a general reexamination.

Every rehabilitation, it seems, also means looking for a culprit. Isn't this one of the reasons why we unwillingly talk about it, and even more unwillingly put it into practice?

I am not sure that every rehabilitation requires looking for a culprit. There have been and there are circumstances which require the LC to take measures that are not always popular and do not have widespread support. Later on, however, one discovers that things could have been done in a different way. We must make allowance that the LC, as a collective organism, or else one of its organs, can go wrong. However, the LC must always regain fresh internal strength to be able to admit that it had been wrong or unjust toward someone. This is very important for the further democratic development of the LCY. It is thus not at all a matter of balancing every individual rehabilitation by looking for or reviling a culprit on the other side.

I would like to stress in particular that the YCP, or LCY, has nothing to be ashamed of either now or in the past. Of course it would be flippant, unscientific and unhistorical to assert that mistakes were not made. In the revolution, which in addition to being a struggle against the occupiers also had all the attributes of a class struggle, there was, besides, a high degree of organization, disorganization, excesses, sectarian outbursts and exaggerations, but this does not change the essential character and overall course and results of our heroic epic.

To what extent does the present party and social moment allow the critical examination of its own past?

I would say that the social moment is at the same time favorable and unfavorable for this kind of reexamination. It is favorable in the sense that the democratization of relations in society and the LC, which is under way, makes it easier to correct mistakes and reexamine the earlier moves and steps. There also exists a kind of distance in time, which should on no account be undermined, which makes it possible to analyze -- without being disturbed or pressured -- specific steps, actions, measures and decisions taken by the party, taking always into consideration the context and time in which all this is happening.

The moment is unfavorable in the sense that it is all too easy to overlook the seriousness of the times and conditions in which individual events have been occurring. History is sometimes exclusively observed from present positions and political needs. The logic of today is used to judge times past and this inevitably leads us to a mistake or disappointment. We should have a creative, and not a biased or suspicious approach, to studying our own past, while always remaining critical.

Why does the LC always keep quiet, despite all the discussion about rehabilitations?

It is possible to answer this question by a question. Who cares more about rehabilitation in the LC than the LC itself? This question has been raised with the same intensity in all the Yugoslav centers and environments. I would be inclined to say that the majority of initiatives were in a number of information media, and considerably fewer in the basic LC organizations and other social organizations.

It seems to me that these demands have been a trifle forced and overstressed; some of them were pushed away in spite of the "cause" itself, as is the fact that a certain degree of inertia and hesitation is present in the LC with regard to these issues. The LC, just as it justifiably resists a dreamed-up condition, must at the same time show full interest and a principled stand over the reexamination of some earlier decisions and situations, especially if there are justified and unambiguous reasons for this. Therefore, the LC has no reason to be silent or to avoid discussion of anything, including so-called sensitive questions from whatever period in its history. We must ensure that the full truth is told about everything. For it is only in this way that trust in the competent, scientific, historical and political judgment and assessments will be strengthened in socialist public opinion.

However, at the same time we must resist with all our force the dramatization of individual cases, pressures and political name-calling, general accusations, and abuse. It is necessary to differentiate between what is really a justified reexamination of an individual decision or some case, and what represents merely some kind of introduction to the passing of a verdict on the revolutionary movement, which has a historic responsibility in the development of our socialist self-managing society.

After all, demands sometimes only seem to relate to the political rehabilitation of an individual, when in fact they relate to attempts at restoring views, orientations and lines which, in historical terms, have been transcended. The LC, therefore, must develop in its ranks the ability to recognize the essence of initiatives and to initiate them itself.

What do you think about demands to rehabilitate Zanko, Sotra and others?

Judging by everything, some information media have been more involved in the rehabilitation of Zanko than Zanko himself. My personal opinion is that Zanko preserved his dignity and remained restrained and unobtrusive. As far as I know, he was never outside the LC and he is its member today. I think that Zanko deserves full recognition for an honest, courageous and communist attitude, regardless of some possible differences. He remained consistent to the LC and never asked for any demanding alternatives. It is a different matter altogether whether anything more should be done about the 10th Croat LC Central Committee session and its assessment. But this matter should be dealt with by the Croat LC Central Committee if, of course, it considers that everything necessary had not yet been said.

I knew Sotra personally. This is the first time I say in public that during my 2-year mandate as president of the Serbian LC Central Committee as well as president of the Serbian Presidency, the question of the rehabilitation of Jova Sotra and comrades had been officially raised four times at forums. I was personally very involved in this, as were a number of comrades from the Central Committee Presidium and the Serbian Presidency. At the time we did not want to make it public because we thought and proceeded from a stand that, in this way, it would be easier for the Kosovo LC Provincial Committee to pass a decision on a reexamination of the previously endorsed decisions. So far this has not been done and I personally think that it is not good. I am convinced that this would positively influence the general atmosphere in the Kosovo LC and that it would be in line with the struggle waged by the Kosovo LC, and that this would be well received in the ranks of socialist forces in the province and in line with efforts to stabilize the overall situation and strengthen mutual trust in Kosovo.

Speaking about Sotra, one must inevitably consider the fate of Kadri Reufi, who was expelled from the Serbin LC Central Committee by the decision of that organ, but who has since died. This remains the responsibility of the Serbian LC Central Committee. I think that this body should start reexamining this case and also all the circumstances that led to such a decision to assess the suitability of its remaining in effect.

Does this not indicate that in the party we somtimes resort more readily to sanctions than to rehabilitation?

In developing democracy in the LC, it is in the nature of things that this questionable assertion contained in the question will be ignored. The LC must, after all, become accustomed to examining -- in parallel with the realization of its decisions and orientations -- their operation, effect and the question of how all this is accepted among the working class and in society as a whole, and to developing democratic relations within it, and in so doing, not bring into question the fundamental orientation which makes it ideologically homogeneous and capable of action; and to creating, therefore, an LC -- in other words, a modern political organization -- capable of continuing new conditions to realize its historic role and at the same time being attractive to young people.

With that, Dusan Ckrebic, a member of the LCY Central Committee Presidium, concluded his interview.

BULATOVIC MEETS HUNGARIAN SLAVIC DELEGATION

AU020952 Belgrade BORBA in Serbo-Croatian 20 Nov 86 p 7

[Text] Belgrade -- Vukoje Bulatovic, vice president of the Serbian Presidency, yesterday received a delegation of the South Slav Democratic Union of Hungary. This organization consists of about 10,000 Serbs, Croats, and Slovenes living in the neighboring country. The member of the Democratic Union delegation are: Marin Mandic, general secretary of the Union and member of the Presidium of the Hungarian People's Republic; Djura Popovic, secretary of the Union, and Stipan Vujic, director of a Serbian High School in Budapest.

During their converstaion, they emphasized the very good cooperation existing between the SFRY and Hungary and which is continuously improving in all fields. In that context, attitudes toward minorities in the two countries represent the right bridge for strengthening their friendly relations.

During the talks, some difficulties regarding the protection of the cultural objects of our people living in Hungary were also mentioned, but it was said that they could be removed.

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Daily Report

EASTERN EUROPE

RAMIZ ALIA REPORT TO NINTH AWP CONGRESS

FBIS FOREIGN BROADCAST INFORMATION SERVICE

ALIA DELIVERS NINTH AWP CONGRESS REPORT

AU161627 Tirana ZERI I POPULLIT in Albanian 4 Nov 86 pp 1-14

[Report delivered by Ramiz Alia, AWP Central Committee first secretary, on 3 November 1986 in Tirana at the Ninth AWP Congress. "On the Activity of the AWP Central Committee and Future Tasks"]

[Text] Dear Comrade delegates, we have come to this congress to draw up a balance-sheet of our party's struggle and work during the past 5 years and to set out the objectives to be attained in the coming years. We have come with pride and successes because the tasks set out by the eighth congress, the line worked out by our great Comrade Enver Hoxha have been successfully fulfilled. Our beloved homeland has raised itself to a higher level in the complete construction of the socialist society, the life of the people has become more prosperous, and our country has progressed and has become stronger.

In a few days we will be celebrating the 45th anniversary of the party's founding. The Albanian Communists have a right to be proud; they have a right to rejoice and be happy on this anniversary. Our party has led the Albanian people in their most glorious historic period, in the most heroic battles, and in the most decisive revolutionary overthrows and transformations of all times. The party has honorably and gloriously fulfilled its mission of leading its own people in their complete national and social liberation and in the construction of socialism. But the more the victories grow, all the more do the responsibilities also grow, the responsibilities of defending and of developing the victories, of leading the people toward new and more advanced frontiers.

The party is coming to this congress with united ranks; it is ideologically tempered and politically more mature. It is coming to this congress enriched with numerous new experiences, with great organizing and mobilizing capabilities. The struggles that we have waged and the victories we have achieved have further strengthened the party's links with the masses and have further steeled the unity of the people. The patriotism of our people has been raised to new heights, and so has their revolutionary spirit.

Uncovering and defeating the conspiracy of the multi-agent Mehmet Shehu and his criminal band was a great victory for our party and people. The danger that they represented against the freedom and independence of the country and the future of socialism in Albania can only be imagined; they cannot be fully calculated. The party has deeply analyzed this hostile activity and the facts are well-known. We can say that the consequences of that hostile activity in the party, in the economy, in the state organs, in the Army, and in the Ministry of Internal Affairs have been successfully liquidated. Salvation from this great danger has further increased the revolutionary vigilance and militant spirit of the party and of the people, has made them more determined and more vigilant in the struggle against the internal and external enemies, has given them new strength, has made them more optimistic, and has further raised their confidence in the future.

The victories attained during the 5 years that separate us from the eighth congress constitute a new confirmation of the correctness of the party's line, the superiority of our socialist system, the triumphant doctrine of Marxism-Leninism, and Comrade Enver Hoxha's teachings. They are a new confirmation that the road of socialism, along which the party of the Communists has been leading Albania for nearly half a century, is the only road which secures Albania's freedom and genuine national independence, which gives its people a truly dignified life, which guarantees the socialist achievements and the conditions making it possible to stand always proud among the advanced and emancipated nations.

The freedom and independence of the country, our socialist life, the prestige and respect enjoyed by Albania throughout the world are dedicated by our people to our heroic party, to their glorious son, and unforgettable Comrade Enver Hoxha.

Comrade Enver is no longer among us, but what remains among us are his immortal deeds, his teachings and wise instructions; what remains among us is his pure theoretical legacy, which inspire and guide us at every step and every moment.

Our gratitude, the gratitude of the Communists and of all the people for what Enver Hoxha has done for Albania and its people has always been and will always remain boundless. Our respect is directed to that great man who, at the most tragic moments in Albania's history, founded the Communist Party, which organized and led the great antifascist uprising of the Albanian people; our respect is directed to the legendary commander of the National Liberation Army, which drove out the foreign occupiers and overthrew the internal traitors. Our thoughts go and will always go to the man who, at the head of the party, laid the foundations of the people's power and guided the great social transformations and profound processes of socialist construction in Albania.

The name of Albania and the name of Enver Hoxha are indivisible. Albania's new history bears the stamp of his distinguished personality, his theoretical thinking, and his political activity. When our people say that they are loyal to Enver, they express the great fact that their character and traits, their way of thinking and acting, their ideals and aims have been formed in the school of his revolutionary struggle. The personality of Enver Hoxha is the personality that symbolizes and embodies ardent patriotism and devoted revolutionary militancy, popular wisdom, and the brilliant mind of a cultured man, a modest son of the people, and a distinguished statesman.

Enver Hoxha's struggle and teachings lie at the foundations of the party's general line. They represent the cardinal points of orientation and a reference for its daily activity. Loyalty to these teachings and their consistent implementation are a guarantee for the present and the future; they are a decisive prerequisite for the victory of the cause of socialism and communism in Albania.

Comrade Hoxha taught us to constantly protect and strengthen the party and its leadership role. On this question he adhered strictly to the principle that only a party of the Leninist type, a party that remains loyal to the doctrine of Marxism-Leninism and to the internationalist spirit, only a party that remains at the head of the system of the dictatorship of the proletariat, a party that does not share its leadership in the state and in society with other political forces, only a party that is irreconcilable against factions and currents, a party that is in constant opposition to the bourgeois and revisionist ideology, only such a party can defend the victories of the revolution and can lead the people on the road of socialism. He created such a monolithic party and led it for nearly 45 years. With such a hegemonic party, our people secured all those victories that we are enjoying today.

The AWP will always remain loyal to its road and deeds, always revolutionary and Marxist-Leninist, ideologically pure, organizationally strong, and capable of meeting all difficulties and making all sacrifices for the people and socialism.

Comrade Enver Hoxha viewed the destiny of the Albanian people, their future, as being closely linked with the existence of the people's regime, with its constant development and democratization, with the consolidation of the bonds with the masses. He never considered the people's power to be a mere instrument of the party for the implementation of its policy, but also as the achiever of the aspirations of the popular masses for equality and social justice, as a protector of democratic and civil rights, as a representative of national interests, and as a decisive political and organizational factor in the march toward socialism.

We will always protect the people's power, for whose establishment the people have shed so much blood, keeping it strong and pure, defending it against all bureaucratic distortions and liberalistic influences. We will work constantly for its development on those sound popular and democratic bases established by the National Liberation Struggle and consolidate and perfected by that other great struggle, the struggle for the construction of socialism. The party and the people will never permit the people's power to become influenced by bourgeois-revisionist ideas and practices, so-called pluralistic self-management of the state of all the people, and so forth.

Comrade Enver Hoxha wanted Albania to be -- and made it -- completely free and independent, completely sovereign. His entire thinking, his entire activity, and his entire struggle against Anglo-American, Yugoslav, Soviet, and other interferences reflect that great concept that the total independence of a country is preserved when that country has no obligation whatsoever toward other countries, obligations conditioning its internal and external policies; when political independence is accompanied by an independent economy and defense; when the people are sovereign over their natural wealth; and when they alone determine their destiny.

Enver Hoxha was the one who formulated and implemented the party's policy of self-reliance. Only such a policy could completely secure for Albania its freedom, its national sovereignty, its independent political, economic, and cultural development, only such a policy could defend Albania against foreign pressure and diktat.

Our party and people will always march along this broad avenue of freedom and independence. No one should think or hope that Albania may one day bargain away its freedom and independence, that it may accept foreign tutelage, that it may permit its sovereignty to be affected, no matter how slightly, that it may be cajoled or deceived into the nets of blocs or various forms of integration within the capitalist and revisionist world.

The entire history of the new Albania is the history of a bitter class struggle waged on all fronts against the internal and external enemies. It is to Enver Hoxha's credit that this struggle has always been waged correctly, leaning neither to the left nor to the right, that it has resisted imperialist pressure and was never influenced by revisionist views and practices. Not only did Enver Hoxha defined this struggle as a major driving force in the socialist society, he brilliantly argued its existence throughout the entire period of socialism, up to communism. He considered the class struggle to be a decisive factor in preserving the unity of the people and of the party's ranks as a sound base to defend the victories of the revolution and a fundamental prerequisite in building socialism. It was Comrade Enver Hoxha's lofty class vigilance, his political acumen, and his revolutionary boldness that helped the party and the people in coping with the resistance of the overthrown classes and eliminating the bands sent from abroad, in unmasking opportunists of the Sejfulla Maleshova type, in uncovering conspirators of the type of Koci Xoxe and Mehmet Shehu, in defeating the interference of imperialists and the intrigues of the revisionists. The Communists and all our people will be eternally grateful to Comrade Enver, who cleaned up the party and the country of these enemies who could have caused the greatest havoc to our country.

Our party will never depart from the class struggle and will always wage it in a principled way and resolutely. The people's power, the Communists, and all the masses will never make concessions to the enemies, whoever they may be. They will put in their place whoever makes any attempt against our freedom and independence, our socialist system, our communist ideals.

Our people dreamed of seeing our country industrialized, of having enough bread from their own soil, of receiving education and culture, of enjoying the fruits of contemporary civilization. The party led by Enver Hoxha transformed this dream into reality. The idea and ways of the country's industrialization and of the socialist transformation of the countryside, which Enver Hoxha worked out in great depth and detail, were as original as they were salvational. The idea of setting up industry on the basis of the country's natural wealth is his idea, and the same is true of the idea of creating an independent energy base as a decisive factor in the development and progress of industry, agriculture, and all other branches; the idea of training qualified technical cadres capable of utilizing and managing industry. To him belongs the credit for compiling the great program of achieving the population's self-sufficiency in grains, of compiling all those fundamental lines along which our socialist economy has progressed.

The great strategy of the development of our socialist economy, the magnificent program of socialist construction drafted under the guidance of and in accordance with Comrade Enver Hoxha's thinking will be resolutely and creatively implemented by our party, adhering to the Marxist-Leninist principles that lie at their foundation. The party and the people will work tirelessly to transform our country as rapidly as is possible into an industrialized country with agriculture on a high international level, to create increasingly better conditions for scientific and technical progress and for an ever broader and progressive culture of the masses. In his greetings message to the Albanian people on the occasion of the 40th anniversary of the liberation, Comrade Enver expressed his firm belief in the future of socialist Albania, which he wanted to see

"...always stronger, always red like the unextinguishable fire of communist and partisan hearts and ideals, an Albania that will live and progress throughout the centuries."

We will adhere to this political testament, marching on his road and implementing his teachings, keeping Albania forever free and independent, as Comrade Enver left it to us and as he wanted it to be -- with a strong defense, as was built and consolidated by him; with a sound and advanced economy, with a strong people's power, as he wanted it; with a politically tempered and organizationally able party, as was founded and educated by him.

The proceedings and decisions of our congress will be another proof of loyalty to Enver Hoxha's teachings and of determination to march on his road, on the glorious road of our revolution. They will be a reflection of the firm will of the party and the people to work and fight with renewed energies and creative spirit in order to always further the socialist victories, to further raise the glory of our free and sovereign country.

I. [Roman one] The Party's Policy for the Development of the Economy in the Eighth 5-Year Plan [subhead]

The years of the seventh 5-year period were characterized by the persistent and selfless efforts of the party and of the people to promote the construction of socialism in Albania. The fundamental political, economic, and social objectives stipulated by the Eighth AWP Congress were generally attained. Industry was extended, it developed further, and its weight and role throughout the country's economy was further raised. The process of the intensification of agricultural production was further promoted and the cooperativists system was consolidated. The strength of the economy was increased and its independence and stability in the face of all situations was consolidated. Extended socialist reproduction was secured through our own forces, the well-being of the population was maintained and raised, and the country's defense was further strengthened.

Our country is entering the new 5-year period with a stronger material and technical base, with greater production and accumulation capabilities, and with an improved economic structure. National assets have increased and their efficient utilization has been raised. Over the 5 years taken together, compared with the sixth 5-year period, social production increased by approximately 19 percent, financial revenues over 17 percent, and the export of commodities about 29 percent.

Industry successfully preceded the comprehensive development of productive forces. Overall industrial production was 27 percent higher than during the sixth 5-year period. The branches of heavy industry made considerable strides forward, bearing the main burden of material production. The production of gas, coal, and electricity experienced a high rate of growth, from 38 to 48 percent. The production of ferronickel was doubled, and so was the production of copper wire and cable. The production of steels increased approximately 45 percent, and the same applies to the production of sulphuric acid, some construction materials, and so forth. The engineering industry successfully fulfilled its tasks concerning the maintenance of machinery in all branches of the economy and made major strides in the production of machinery and equipment, increasing its volume by 54 percent.

The light and food industry has attained successes in the rational and thrifty utilization of raw materials, in extending the varieties of its products, and in increasing production at a rate higher than the population growth rate.

Despite the adverse weather conditions which continued for 3 successive years, agriculture also advanced and fulfilled its basic tasks during the seventh 5-year period. Overall agricultural production for the 5 years taken together increased over 13 percent. The increase was even greater with regard to some important products like wheat, vegetables, industrial crops, and the production of eggs. Stability and increased yields is a general trend. This is to be observed particularly in the case of wheat, cotton, sunflower, and tobacco, in which very high yields have been obtained over large acreages.

The program of the Eighth Congress with regard to capital investments, which increased about 17 percent, was broadly implemented. During the past 5-year period over 300 major production and sociocultural projects were built. The first and second turbines of the Enver Hoxha Hydroelectric Plant at Komand were completed ahead of schedule and hundreds of kilometers of high-voltage lines were built. With the completion of the Lac-Shkoder-Han i Hoti railroad and the Fier-Vlore railroads and some branch lines, 140 kilometers of railroads were added to the network. The ferrous metallurgy sector was further extended with the commissioning of the No. 12 plant, the second blast furnace, the continuous steel-pouring line, and the plant for the production of refractory materials.

Productive forces in industry and agriculture were reinforced through the extension of some mines, increased production capacities, the reconstruction of some 30 plants and factories in the heavy and light industries, as well as through the construction of dozens of livestock complexes and increased irrigation capacities covering an additional 28,000 hectares.

New sociocultural institutions were built, like the National History Museum, the "George Castrioti" Museum in Kruje, the Palace of Congresses, and numerous sports and cultural halls, stadia, schools, and hospitals.

The party and state organs have shown special care with regard to the attainment of planned objectives in the social field. The creation of new jobs matched the increased manpower available. Housing stocks increased at a considerable pace and more rapidly than the population growth rate. The construction and commissioning of new schools corresponded with the increase in the number of students and pupils at all levels of the education system.

The state of health of the population was improved. Infant mortality of children under the age of 1 year was halved, while the general number of deaths per 1,000 inhabitants is declining. For some years now, this index has been the lowest in Europe. Legislation and state assistance for mothers and children were improved, and social security has generally become a stronger factor in helping maintain the standards of all the working people.

The consumption fund continued to increase at a higher rate than the population growth rate and real incomes continued to rise both in the cities and in the countryside. The rise in the international market and unexpected weather conditions did not affect the living standards of the working people because the losses were subsidized by the state.

The progress made during the seventh 5-year period, with no aid or credits from abroad and under conditions of the all-round economic crisis of the capitalist-revisionist world and its effects on our country, constitute victories of particular importance. Our experience concerning a dynamic and independent socioeconomic development was further enriched.

In these years of great battles we learned to appreciate more than ever the correctness of the Marxist-Leninist policy of the party and Cormade Enver Hoxha in building a complex economic structure, in creating essential reserves, in creating a large irrigation network, in the increasingly fuller activation of the use of natural assets, in the training of cadres, and in creating our new and militant man who is not afraid of work and sacrifices.

The vitality of the principle of self-reliance was displayed in all its might during the past 5-year period. The working masses became more aware of the consistent implementation of the party's great orientations that we should consume only as much as we produce, that we should spend only as much as we earn, and that we should import only as much as we export, also constantly increasing the reserves. Our people, educated by the party, coped successfully in all their tasks. Large projects in industry, construction, communications, agriculture, and so forth were completed through our own efforts. New machinery and equipment was designed and innovations and rationalizations of considerable value were effected. Work was carried out everywhere in a creative spirit and with the confidence that we can now resolve even difficult technical and scientific problems by ourselves. This firm principle of the party inspired the Communists and the broad working masses to discover new forces, possibilities, and reserves to ensure the country's dynamic socioeconomic development and to consolidate the country's political and economic independence.

The attainments of the 5-year period would have been greater were it not for weaknesses and shortcomings in organization and management, were it not also for the operation of some objective internal difficulties and the negative influences of the economic crises of the outside world. In those years we had to deal with the consequences of the hostile activity of Mehmet Shehu and company. Considerable damage was caused to the economy by the prolonged drought and abnormal precipitation, which hit the agriculture and the electricity generating sector particularly hard. Price vacillations on international markets and the lack of adequate knowledge concerning foreign markets and complicated international circumstances also increased the difficulties in the development of the economy.

The operation of all these negative factors resulted in the failure to completely fulfill plans in particular branches of the economy, like in the oil sector, in the production of some agricultural and livestock products, in financial revenues, and in the export field. Consequently, certain disproportions were created in the economy. There were also shortages in supplying the population in accordance with plan expectations.

In the face of the difficulties encountered, the strength and monolithic unity of the people around the party and the unprecedented mobilization of the working people in fulfilling their tasks emerged like rarely before. The workers class, the cooperativist peasantry, the people's intelligentsia, and old and young, with the communists in the lead, performed the impossible in minimizing their effects.

The party and state organs adopted comprehensive measures to ensure the continuation of economic development and to maintain the well-being of the population. They responded to the judgement of the masses, to their political awareness, their initiative, and their spirit of action with a new and more agile style of work, with more fruitful organization and management, and with a tightening of order and discipline. Their capability to maneuver in accordance with the situation, to coordinate efforts, and to concentrate forces and means at the more sensitive points of the economy was further increased. Together with the working masses, the party and the state and economic organs thus discovered new possibilities and reserves and, as a result, the planned tasks were fulfilled satisfactorily with fewer energy resources and raw and other materials.

This practice showed once again what results can be attained and what big problems can be resolved when the initiative and action of the masses are combined with qualified organization and management. This is a great school from which we must learn, all of us, how to confront difficulties and tasks, how to resolve problems with initiative and with our internal resources, how to utilize production capacities and the considerable reserves to be found in enterprises and cooperatives, and how to strengthen our belief in the possibilities and capabilities to be found among working collectives. These lessons must also serve us in the future to think and to work at all times with a high sense of responsibility, revolutionary courage, and a spirit of sacrifice.

The experience gained in the struggle to implement the Seventh 5-Year Plan helped the AWP Central Committee to deepen its work in acquainting itself with and determining the prospects of the development of the economy and culture. The directives of the Eighth 5-Year Plan, 1986-90, which are being presented to this congress for examination and approval, have been prepared on this basis.

These directives embody the long-term strategy of the party and Comrade Enver Hoxha's teachings and directions for the constant construction and development of the socialist society. They were broadly discussed by the working masses; therefore, they strongly bear the stamp of their creative thinking and enjoy their approval and energetic support.

The new 5-year period constitutes a great and courageous program of work. It aims to ensure the continuous, stable, and rapid development of the economy and culture relying entirely on our own forces; to further consolidate and perfect the multibranched structure of the economy, always preserving the priority of industry and rapidly developing agriculture; to raise the efficiency of production and accumulation through a deeper utilization of material resources and other possibilities available to society and of existing production capacities and those that will be accrued and modernized; to ensure correct proportions in the development of expanded socialist reproduction; to further promote and perfect socialist production relations; and to further raise the material well-being and the cultural standards of the working masses and the country's defense potential.

The development of industry at high rates of growth remains a task of primary importance. Over 10 billion leks, or 42 percent of the entire volume of investments, will be used for this purpose. The volume of overall industrial production in 1990, compared with 1985, will increase 29-31 percent on the basis of a more complete utilization of production capacities, through their extension and reconstruction, and the construction of new projects. Continuing to give priority to production of the means of production, the rate of increase of consumer goods will also be accelerated. Industry will be better placed at the service of agriculture and the fulfillment of the needs of the people and will extend the country's export potential.

The party aims to enhance the role of agriculture during the eighth 5-year period for the independent development of the country, to raise the well-being of the people, and to narrow the socioeconomic differences between rural and urban areas. About 7.7 billion leks will be invested in this branch, equal to approximately one-third of the total volume of investments. The number of people engaged in agriculture will be considerably increased and the role of science in its service will be raised. Overall agricultural production during the 5-year period will increase 35-37 percent.

The country's economic potential makes it possible for capital investments to reach the sum of 24.45 billion leks during the 5-year period; that is, 2.8 billion leks more than in the seventh 5-year period. Numerous and profound studies have been carried out concerning the distribution of investments to support the essential priorities in production and in other sectors, to include essential and the more profitable projects in the plan, to raise the technical and technological level of the major means in industry, agriculture, and elsewhere, and to ensure the continuity of the development of production forces in the future as well.

During the 5-year period, work will proceed on the construction of 420 important production and sociocultural projects, of which over 370 will be commissioned by 1990. The Banje hydroelectrical complex, the urea plant, the Milot-Rreshenklos railroad, the Bulqize viaduct, the ferrochrome plant, the steel wire plant, mines and enrichment plants, and hundreds of irrigation projects rank among the most important.

The Enver Hoxha Hydroelectric Power Plant in Koman, the nickel-cobalt plant, the lubricating oils plant, and a number of other smaller projects will be completed and commissioned during this 5-year period. Considerable investments will be effected for the extension and reconstruction of numerous projects of primary importance in the mining and metallurgical sectors and in the light industry, like in the Shkoder wire plant, the Durres chemical enterprise, the Lac superphosphates plant, the ferrochrome plant, textile combines, and 15 engineering plants and workshops. Some of them may be considered as new constructions in the fullest meaning of the word and are equipped with the most advanced technologies. Factories, production lines, roads, schools, reservoirs, livestock complexes, medical institutions, and cultural centers will be built throughout the country.

The in-depth utilization of production capacities and technical and scientific progress will enable us to raise labor productivity and production efficiency. The well-being of the population, both in the cities and in the countryside, will consequently be further improved. Over 220,000 people will enter employment for the first time. Education, culture, and the health service will experience further development. The country's increased defense potential will be at the center of the party's and the state's attention.

The magnificent objectives stipulated for the eighth 5-year period have stimulated new inspiration among the Communists and all our people. They have raised the confidence of the working people in the party's line and Comrade Enver Hoxha's immortal teachings and have reinforced their sense of security concerning the future and their courage to undertake and implement increasingly bigger tasks.

Comrade Adil Carcani will speak in detail about the objectives and tasks of the new 5-year period. Allow me, therefore, to dwell on some major aspects of the party's policy concerning our country's socioeconomic development during the coming 5 years.

1. On the Pace and Priorities of the Development of the Economy [subhead]

The draft directives stipulate that the overall social product in 1990, compared with 1985, will increase 31-33 percent, the national income 35-37 percent, and the total financial income 37-39 percent.

As is apparent from the aforementioned indicators, the average annual development rate of the economy ranges from 5-7 percent and is 2-3 times higher than the population growth rate. In setting a high pace for the development of the economy, the party proceeds not only from the needs, but also from the growing possibilities of our society to achieve it, from the human, material and technical, scientific, and organizational potential that we enjoy.

Their attainment is an essential prerequisite in raising the per capita consumption of the population and in ensuring the essential, necessary accumulation for extended socialist reproduction. Only rapid development will make it possible to fulfill these two fundamental demands of the party's economic policy and, at the same time, to even up some disproportions that have been created.

The rapid pace will enable our economy as a whole to develop harmoniously on the basis of correct proportions. The national income and the social product, production and consumption, labor productivity and real incomes, products for society and personal products, the stock of consumer commodities and the purchasing power, as well as exports and imports will progress in accordance with the essential priorities and in a balanced manner. The implementation of these laws and proportions of socialist reproduction will consolidate the stability of the economy and will increase the capabilities of society in meeting even greater and more difficult tasks in the future. The party, state, and economic organs, the Communists, and the workers should consider the stipulated production, income, and investment tasks to be minimal targets to be attained without fail. This requires the efficient utilization of production capacities and manpower, persistent efforts to raise productivity, the rational utilization of natural assets, and persistency in achieving technical and technological progress, in fruitful organization, and in effecting savings.

The fulfillment of the complex economic and social tasks of the eighth 5-year period is based on certain important structural improvements. The present structure of the economy, and particularly the structure of heavy industry, the greater possibilities for maneuvering in the distribution of investments and manpower and in the utilization of other resources permit us to complement certain branches and activities and to stipulate higher rates and development priorities for particular sectors and products. These priorities do not affect the tracks of the structure of the economy and do not obstruct the implementation of priorities of a principled nature.

Geology and mines will concentrate on the discovery and extraction of chromites, ferronickel, and rich copper. The party bases this orientation on the considerable geological and industrial reserves that have been uncovered and on the technical and technological level of nonferrous metallurgy. The overall increased efficiency of the mineral processing industry, the increased degree of recovery [rikuperim], cost reductions in transportation and in the metallurgical sector, and the increase in export revenues will be aimed at a more favorable structure of minerals. At the same time, the working people and specialists in the nonferrous metallurgical sector are required to effect studies concerning more advanced enrichment and smelting technologies and to extend the possibilities of utilizing poorer minerals in the future at a higher degree of efficiency. The latter must be properly appreciated as a great asset to future generations.

The development of the branches of the light and food industry will also receive priority in the current 5-year period. Fifty-four percent more investments than in the seventh 5-year period have been allocated during the present 5-year period to process agricultural and livestock produce, to increase the production of industrial consumer commodities, to improve their quality, and to extend the variety and types of foodstuffs. Over 90 plants, factories, and production lines will be built or expanded in the light and food industry, of which 70 will be new ones.

Through these investments the light and food industry will be brought closer to the raw materials and to the consumers. The workers in this branch are required to process all products offered by agriculture and the livestock sector, to get as many products as is possible from the raw materials, and to increase their care for the rational utilization of all technological waste, to introduce functional and aesthetic packaging, and to make more extensive use of less costly synthetic materials.

The most noticeable increase in agricultural production will take place in the livestock sector. This sector is being especially encouraged because its proportion within overall agricultural production is still low and because there are still considerable untapped reserves. The high rate in the increase of livestock products is dictated by the need to further raise the norms of per capita consumption, to improve the diet structure in favor of livestock products, and generally to raise the viability of this bran (these tasks will be fulfilled by increasing the number of all types of livestock and through their increased productivity. About 90,000 cows and about 1.4 million head of sheep and goats are expected to be added to present stocks during the current 5-year period. One-third of the increased livestock production is expected to be achieved through increased yields. The objectives set out for the development of the livestock sector cannot be achieved unless a greater effort is made everywhere -- in the plains, the hills, the mountains; in state enterprises; in cooperatives, the modern complexes and large herds; and even down to the small herds at the brigade level -- to secure the essential fodder base, particularly by increasing the production of forage crops, whose yields are still considerably low. It must be admitted that a lag has occurred in the livestock sector in recent years, which has also affected the supply of meat and other livestock products to the population. The failure to profoundly understand and the deficiencies in the implementation of the party's directives concerning the creation of small herds of sheep and cows on the private plots of cooperativists during the earlier years of the previous 5-year period, led to considerable damage and to the slaughtering of much livestock without any criteria for this. In some cases the herding was understood in an oversimplified manner, as an action related simply to the herding together of the cattle of cooperativist members and not to increased production, which is its fundamental aim.

Certain other mistaken concepts and practices have also hindered the rapid development of the livestock sector, such as the overrating of modern livestock complexes and the large-scale concentration of cattle, which led to the removal of livestock from the villages, of production from the consumer, and of organic fertilizer from the soil. It also led to an underrating of the great reserves that could be utilized for the traditional extensive livestock raising.

The party has adopted measures to rectify these practices. It has stressed and continues to stress that, as a result of our country's natural conditions and possibilities, both roads, the intensive one and the extensive one, must be utilized for the development of agriculture, and particularly for the development of the livestock sector. Production must be raised in complexes and in the large concentrations, but also through the traditional increase in livestock.

The AWP Central Committee supported the initiative of the peasantry to keep small livestock herds at the brigade level. This important action, which is being rapidly implemented throughout the country, will lead to the further consolidation of group property, the efficient utilization of the extensive method of livestock development and, what is more important, to the increased production of livestock products, particularly for the cooperativist peasantry. The aim must be to have the cooperativist peasantry meet its own needs for milk from the production of these small herds within 2-3 years. This will also improve the supply of cities with livestock products to the cities from the larger and concentrated herds of the agricultural cooperatives.

The rapid pace in the development of the economy makes a perceptible increase in the volume of exports both possible and essential. Exports will increase 44-46 percent during the 5-year period. To ensure more solid and guaranteed exports, their bulk will be distributed over a larger group of commodities which are in demand in foreign markets. Because of the revenue they bring in, chromites and tobacco will constitute the largest proportion of exports and will occupy the first two places. The extraction of chromites in 1990, compared with 1985, will increase about 36 percent and tobacco production will almost double. The benefit of these changes is already apparent this year. Had measures not been adopted to increase the export of certain goods of considerable importance, the drastic and sudden drop in the price of energy products on foreign markets, which caused harm to the tune of U.S. $40-45 million, would have burdened us even more.

A greater degree of commitment on the part of the entire economy could make for increased exports. The workers in the mineral and energy sectors are confronted with great and responsible tasks. These sectors provide the overwhelming part of our exports. The same applies to workers in the agricultural sector and in the light and food industry. What is required of them is that they should not only fulfill their planned tasks without fail, but also that they should overfulfill them. Any failure to fulfill the production of export commodities has negative consequences. Our economy needs a number of imported commodities, which cannot be secured without first fulfilling the export tasks.

The quality of the commodities that we export constitute a big problem. It plays a decisive role in selling a commodity and in determining its proper value. It is only possible to compete in foreign markets with goods of a high quality.

The party has stressed that the foreign currency balance becomes increasingly more active through increased exports and the relative reduction of imports and also by thrift in the consumption of those commodities that can be exported and the replacement of imported commodities with domestically produced ones. This requires more creative thinking and persistence by the managers of the economy, who frequently find it easier to look to imports than to organize the implementation of this important party orientation.

Various difficulties exist in foreign trade, which may or may not stem from us. But these must be overcome not through mechanical operations, but through solutions leading to increased exports, reduction of costs, and the improvement in the quality of commodities and by reducing the importation of raw materials and machinery, which narrows development possibilities and creates problems for the progress of production and consumption.

The foreign trade organs view imports and exports in close unity; they should be more operative and flexible, strengthen coordination throughout the system, and should maintain close links with the planning, financial, and banking organs in order to stimulate production everywhere. They must distinguish themselves for correctness in dealings with their partners, earnestness in business, and their competence in trade operations.

A number of other priorities are also stipulated in the 5-year plan. With regard to the utilization of the accumulation fund, priority is to be given to the increase of funds allocated to production and to increasing reserves. The reduction of costs in construction and installation will be aimed in favor of investments for machinery and equipment. Internal maritime transportation will be encouraged to occupy the place it deserves. Employment in material production and particularly in agriculture will increase at a higher rate.

These priority developments are essential operations which must lead to effective production results, the raising of incomes, and the improvement of the living standards of the population in the current 5-year period and beyond.

2. Resources Are To Be Extended and the Efficient Utilization of the Country's Natural Assets Is To Be Raised [subhead]

The dynamic development of the economy, the stage reached in the country's industrialization, make possible the discovery and the utilization of underground assets on an increasingly wider scale. Their industrial reserves will increase by 90 million tons in the current 5-year period, while more than 45 million tons of minerals and fuels of various kinds will be extracted and processed compared with about 34 million tons exploited during the previous 5-year period. Currently, the unrenewable natural assets exploited have taken over first place from the renewable ones. This is an important qualitative change. Our mining and metallurgical industries are fully able to carry this burden.

The party has always considered the oil industry to be a key branch of the economy considering the major place that it occupies in the energy balance, because it is an asset lending itself to varied uses, because it is a very profitable asset even in the most unfavorable circumstances prevailing in foreign markets, and because of its decisive role in our entire present and future economic development. The party has always considered and continues to consider the oil industry as a key branch of the economy. The state and society have not spared and will not spare funds for the development of this branch. But in recent years the reinforcement of the material and technical base of this branch has not been met to the same extent by the increase in production. In addition to the sabotage activity of the enemies having been uncovered, results in the oil industry have also been checked by organizational weaknesses and in the planning of production tasks and the superficiality of some studies and of the interpretation of survey data.

The party and the people have a right to ask for more of the people working in the oil sector. Almost one-third of the investments to be effected in industry during the eighth 5-year period will go to this sector. The oil extraction plan, too, is very cautious and the 33-35 percent increase in production is completely feasible. The oil sector is required to become an advanced sector of the economy in the current 5-year period. Its extraction will take place mainly from known fields, through their intensive and rational utilization, making the network of wells denser, further extending the borders of the fields, and widely applying secondary methods.

Work in the oil industry must be mastered well and its numerous enterprises should function like one single system. Economic accountancy of expenditures must be reinforced and the class spirit and advanced technical-scientific thinking must prevail.

Natural and associated gas are playing an evergrowing role in the energy balance and as technological materials. The extraction of natural gas will increase about 2.6 times during the current 5-year period. This requires the accelerated sinking of new wells, limiting the number of passive wells to a minimum, and increasing the number of fields.

The tasks of the current 5-year period, but particularly the long-term development of the oil and gas industry, dictate the need to extend and accelerate drilling for the discovery of new fields. The objectives are tight, because by 1990 the recently discovered reserves must be increased about 4 times more rapidly than in the previous 5-year period. What is of major importance is to increase the consultative role of studies and to achieve a higher degree of success for every drilling operation.

The level of studies msut be raised, the coordination of various scientific disciplines must be reinforced, and more benefits should be derived from contemporary achievements in using equipment and new methods.

The coal industry is stabilized and has great prospects. Through the stipulated investments, its extraction will be intensified and extended both in the existing and in the new mines. Production of coal in the current 5-year period will be increased by about 1 million tons. The interest of the economy requires that efforts should be made to find new fields of utilization for this great asset -- as a fuel in industry and elsewhere, as an energy source to replace oil and gas, as a technological material for coking and in other fields, as a source of heating in rural and urban areas, and for exports. The geological sector should increase its studies and search for rich and coking coal and for new fields in the vicinity of larger users.

Increased efficiency in the production and use of coal requires a reduction in the degree of impoverishment and losses, the extension of enrichment and brickette-making, and the perfecting of the distribution of this voluminous product.

With the complete commissioning of the Koman hydroelectric power plant and of some smaller plants, the production of electricity will increase 80 percent; that is, 2.5 times more rapidly than social production. More efforts must be made to find profitable export markets, but the primary task for the present and the future continues to be the efficient utilization of electricity in the country, in industry, in agriculture, in transportation, as well as in its use for communal and family needs.

We possess energy resources and assets, but it is still necessary to work on a broad front to reduce the consumption of energy per unit of social production.

Fuels and electricity are powerful assets which condition in many respects the pace of our overall development. Let us, therefore, always use them efficiently and thriftily.

Chromites, copper, and ferronickel, whose long-term prospects are guaranteed and on whose basis we have built an entire industry which is advancing consistently toward closed cycles, will occupy first place in the surveys and extraction of solid minerals. Their production will increase 30-40 percent. The utilization of these assets is being considerably accelerated through the plan. While the interests of the coming generations require that we should progress carefully and in a calculated way and ensure adequate reserves with regard to chromites, copper, and certain other minerals which are directed mainly for the export market, the same interests require that we should put them into economic circulation as soon as possible. It is better to pass on these natural assets to our future generations in the form of factories, plants, and combines, as means of production, as functioning assets rather than in the form of potential resources hidden underground.

Extracted natural assets will not only be increased and their structure improved, but their variety will also be extended through the discovery of new minerals like magnezite, refractary argyles, fluorides, olivinites, bauxites, (baritet), caolines, lookse coastal deposits [shkriferimet bregdetare], and rare minerals. The necessary mines, enrichment factories, and plants have been set up for these minerals. Many of these assets must find their use in industry and exports now, during the current 5-year period, and the efficiency of the investments and expenditure effected, which have not yet been returned to the economy, must be secured.

Greater demands will be made in this 5-year period on efforts to utilize renewable natural resources, the water resources, the forests, pastures, the flora, and the fauna. It is a fundamental task to utilize these assets in accordance with the plan, both intensively and extensively, but it is also our task to preserve them and to regenerate them without fail to a larger quantitative and qualitative extent.

Our country is rich in forests, but the balance between timber cutting and growth remains a constant preoccupation. Two fundamental tasks exist with regard to the present 5-year period and the future: an absolute reduction in the volume of timber used and the acceleration of comprehensive measures to increase and cultivate forests on a scientific basis. Through the joint efforts of the workers of the timber enterprises and of all timber consumers, technological wastes should be reduced to the minimum possible, with the intention of raising the coefficient of timber utilization by 5-10 percent.

The overripe forests should be exploited with priority, particularly by a more widespread use of cable cars. It is necessary to increase efforts to replace timber with other materials in the railroad sector, in the mines, in the production of household goods, in construction, in packaging, in the communal services, and in households. The party calls on all workers, but particularly on the young generation, to increase their contribution, through mass actions as well as in other ways, in order to extend afforestation. The agricultural cooperatives are also purged, according to their possibilities, to effect investments in forestry.

During the years of socialism water resources have been transformed into a national asset of tremendous importance in the fullest sense of the word. The gigantic hydroelectric plants and the irrigation system have given a powerful impulse to the country's socioeconomic development. As far as fishing is concerned, the possibilities offered by our internal waters have not been fully exhausted. Even without the lakes, these waters now cover 15,000 hectares. The fishery sector has all the possibilities of becoming a major supplier of foodstuffs for the population. Fishery enterprises must look ahead and must extend the farming of all types of fish that are suited to our conditions, relying on internal feeding resources. They must place their entire work on a more scientific basis, particularly as regards growing capabilities in the lakes and reservoirs and fishing more deeply in maritime waters, because the results to date speak of handicraft methods and casualness.

The transformation of potential natural assets, both renewable and nonrenewable, into active assets constitutes a fundamental problem, on whose correct solution the increased production capacity of society depends to a considerable extent. The party's policy concerning their activation has been and remains cautious and balanced; it is based on harmonizing the country's current possibilities with the interests of future generations. The intensification of the utilization of nature requires strict control on the part of society concerning the rational use of its assets, as well as sound ecological education.

3. Existing Production Capacities Will Be the Base for Increased Social Production [subhead]

About 74 percent of the increased production in industry will be achieved through a more intensive utilization of existing production capacities, through reconstruction and expansions, and only one-fourth of the increase will come through new projects. With regard to field crops, over 95 percent of the increased production is expected to be achieved on the existing acreage through higher yields. This indicates that, in accordance with the party's policy, our economy will progress surely on the road of further intensification.

On the basis of the material-technical base that has been set up, our economy is capable of producing much more than hitherto. Most of our industrial projects, particularly in the metallurgical sector, in the engineering industry, and so forth, are new ones and in some cases have not yet fully mastered production capacities. As a result of organizational weaknesses, the lack of an adequate technical culture, etc., considerable production capacities are not being utilized with satisfactory technical-economic indicators. Shortfalls in the agricultural sector and in exports are also reflected in the level of utilization of possibilities to increase production in some factories and production lines.

The party's policy has been and remains that our industries should rely primarily on the country's raw materials, which currently account for 90 percent of their total annual consumption. The important thing is to open up broad avenues for using the minerals extracted in the country in ferrous and nonferrous metallurgy, in the chemical industry, and elsewhere. Many branches and sectors of the economy are currently faced with the task of adapting production technologies to the qualities of our minerals.

This problem is particularly acute in the ferrous metal industry. The workers in this branch should therefore continue even more persistently the efforts that have been started to produce types of steels and pig iron to meet the needs of our industries using the country's own raw materials. Although we possess and use large quantities of ferronickel ores of satisfactory content and valuable components, and although we have set up industries with considerable enrichment capacity, some specialists continue to set their sight on imports. The workers of the ferrous metallurgy sector must, therefore, even more persistently continue their efforts to produce types of steels and pig iron to meet the needs of our industries, using the country's own raw materials.

The party is confident that the pledge of the working people of the "Steel of the Party" combine to produce steels that are suitable for the needs of the engineering industry, to raise the degree of recovery [rikuperim] of the metals, and to achieve a higher degree of viability by this powerful complex as a whole, as well as by its particular plants, factories, and production lines -- the party is confident that these pledges will be turned into reality. Our ferrous metallurgy now possesses all the prerequisites to achieve greater accumulation for society by expanding production and reducing costs. This will increase the possibility of bringing nearer in time the completion of the ferrous industry's cycle through the construction of plants for the production of sheet steels [llamarina] and tubes. The engineering industry plays a decisive role in the normal functioning of the entire productive apparatus of the economy. The fact that it meets 90 percent of the country's needs for spare parts and nearly 40 percent of the machinery and equipment used in new investments is a great success. But this branch has the potential to increase its output by 20 percent over what it does at present merely through a more intensive utilization of its production capacities and by making some partial complementations. These reserves will be used eventually, but it is in the interest of the economy that they should be used to the widest extent possible now, during the current 5-year period. This objective, together with a radical improvement in the quality of production and maintenance service, constitutes one of the major tasks confronting all the workers in the engineering industry.

Design work must be consolidated during the current 5-year period. In particular, technological design must be accelerated and completed. The engineering industry must open up the way to the use of our steels and must raise its efficiency in the utilization of metals. Efforts must be made to achieve a real and higher degree of viability in all engineering plants and workshops. Cautious progress and profound studies must be made with regard to concentration [of production] and cooperation within districts must be reinforced.

The reinforcement and extension of the engineering industry also raises the need of perfecting management at the branch level. The AWP Central Committee has recommended to the state organs that they should study the forms and possibilities of creating a central organization with full departmental functions, which would gradually take the country's major engineering plants under its wing. This will increase the possibility for more advanced specialization, efficient cooperation, more rapid technical and technological progress and, generally, a more intensive use of the engineering base that we have set up.

As has been declared, the main way to increase production capacities will be that of the reconstruction and extension of existing plants during the current 5-year period. This represents a great constructive and creative effort. It confronts the technical and scientific personnel -- in the enterprises, research institutions, design institutions, and up to the university -- with responsible tasks. These forces must engage themselves seriously in seeking and finding better technological, technical, and economic solutions.

Great reserves for the utilization of existing production capacities in all branches of production and services, in industry, agriculture, in construction, transportation, and so forth, lies in the effort to achieve a perceptible improvement in the quality of work and in increasing the range of products. Harmful attitudes have been observed with regard to the question of quality, both in concept and implementation. It is not deeply understood by everyone concerned that quality means quantity, long life, thrift, and efficiency and that quality is an essential prerequisite in meeting the needs of the economy and of the people. But finding a solution to this problem is not merely a matter of awareness; it cannot be achieved through education alone. Quality requirements must be clearly defined at the planning stage; they must be incorporated in standards and technical prerequisites and in contracts and agreements. Stricter control is required over quality and, in the same way that poor quality must be compensated for, good quality, too, must be stimulated. The internal and foreign trade sectors must raise their requirements concerning quality and must relinquish the practice of making mutual concessions as well as liberal attitudes.

The massive circulation of the country's assets, the extension of economic links between production and consumption, and the growing movements of the population have confronted the transportation sector with great tasks and new demands. To ensure that communications march in step with the development of the economy, investments will be increased during the 5-year period to make possible the expansion and consolidation of its various forms and to progress gradually on the road of replacing and regenerating the transportation stocks. The task of increasing the volume of commodity transportation by 30 percent up to 1990 rests primarily on the fullest possible utilization of the transportation stock currently available. This makes it imperative that the workers in this sector increase their efforts to ensure the fullest possible utilization of mass forms of transportation, particularly the railroads. Road transportation must penetrate more deeply to the remoter areas and must be better placed in the service of agriculture. Internal maritime transportation is to be equipped with vessels suitable for our conditions and its activity is to be extended throughout the coastal areas and inland.

Large-scale transportation dictates the need to unhesitatingly introduce new technologies and the necessary mechanization in the ports, railroad stations, and large production and consumption centers. The planning of the distribution of raw materials and the circulation of commodities generally must be perfected by the central departments, eliminating unnecessary movements. Internal transportation in enterprises and cooperatives must increase its load and better meet the demands of production. The maintenance of vehicles and an increased coefficient of valuable utilization remains a primary task for all types of transportation.

Progressing constantly on the road of the intensive utilization of production capacities, the possibilities for extensive development in particular branches and sectors are considerable, both at present and in the future. In fact, we are investing to extend them to the exploitation of natural resources in general, in reclaiming land and improving pastures, in increasing the number of livestock, and also in increasing the production of industrial and food articles with simple methods.

Despite the tendency to further promote the intensification in the economy, over half the increase in the social product during the entire 5-year period will result from the increase in the number of workers employed in the production sphere. Although more slowly than the increase in the social product, material production costs in industry and elsewhere will increase about 20 billion leks. About two-thirds of the increase in the livestock sector and about three-quarters of the increased production in the horticultural sector will be achieved by increasing the number of heads of livestock and the number of trees in production.

The simultaneous and harmonious use of both ways of production development is not an indication of backwardness, nor does it leave us behind in know-how and technology. This is the advantage provided by our system. It arises from the aims of social production itself. The interests of the people require that every production possibility be turned into reality with a spirit of initiative and creativity, regardless of the label attached to the road that is followed, be it intensive or extensive, modern or handicraft methods.

4. The Development and Progress of Agriculture Has Been and Remains a Problem Concerning All Society [subhead]

This branch secures the food for the population and the essential raw materials for the light and food industry. Agriculture is the basis of the livelihood of the peasantry, a source of considerable accumulation and exports. Our society possesses the possibility of raising agriculture and the livestock-raising sector to advanced levels of development. In the same way that we are efficiently using our underground assets for the benefit of the people, let us also utilize the favorable social and natural conditions to secure increasingly more products from our agricultural land.

The fact that we have achieved self-sufficiency in the production of bread grains for an entire decade now is a success of historic importance. This achievement constitutes one of the pillars of the country's economic policy. But the task now is that even the more mountainous regions should also become self-sufficient in the production of bread grains, should meet all the needs of the livestock sector with fodder concentrates, and should normally secure their essential grain reserves without fail.

Considerable reserves and possibilities exist to increase wheat production, but even greater possibilities exist with regard to corn. In recent years, the average yields achieved with regard to this crop have been only 4-5 quintals more than has been the case with wheat. At the same time, corn yields have been double that of wheat yields on areas covering thousands of hectares. This, and particularly the good results attained this year, reinforce our confidence that the task that has been stipulated, namely, to increase corn yields by 20 quintals per hectare by 1990, is fully feasible. The party organizations and the state and economic organs must adopt measures to disseminate the advanced experience gained in Shkoder, Sarande, and some other districts in recent years, throughout at least the coastal area. As a result of the remarkable scientific achievements of the Shkoder Corn and Rice Institute, the way has been opened to the cultivators for a rapid increase in corn production.

The industrial crops, namely, cotton, sugarbeet, tobacco, and sunflower, will occupy an average of 90,000 hectares of land, equal to about one-sixth of the total acreage occupied by field crops. More production and income must be secured from this acreage. This is the way to ease imports, to assure the normal working of the light and food industry, and to increase the volume of commodities available in the market. The processing industry and the procurement organs should increase their interest in these crops at all stages of their cultivation, should realistically assess both the quantity and quality of the products they are absorbing, and should practice advanced forms of absorbing them directly from the fields.

Vegetables, beans, and potatoes constitute the bulk of the population's diet. Perceptible shortfalls have been created in their production in recent years. This is mainly as a result of a distorted understanding and excesses in the implementation of the party's directive concerning the specialization and concentration of production. The Ministry of Agriculture and the State Planning Commission, as a result of unfounded studies and planning, have opened the way for many districts not to produce these products themselves, but to expect them from other districts, burdening the economy with unnecessary transportation and creating difficulties in the market as well. This practice has now been rectified as a result of the intervention of the AWP Central Committee.

Under our country's conditions, with a growing rural population distributed throughout the country's territory and in mountainous areas, both the production and the distribution of a number of agricultural and livestock products should be as near as possible to consumers. The Central Committee has therefore insisted and insists that every district, every agricultural economy, and even every village should meet the population's needs for vegetables, beans, and potatoes, as well as for milk and its by-products, through its own production.

Horticulture constitues a sector with rather low production and productivity. Although it occupies about 17 percent of the entire acreage, fruits, olives, and the vineyards bring in only 7 percent of the entire income of agricultural production.

Investments and other measures for the development of horticulture must be directed primarily toward increasing the number of trees per hectare, the intensification of services in the existing plantations, and increased productivity, particularly with regard to olives. The processing industry should set up special units, particularly for the purpose of semi-processing, as close to the centers producing fruit and grapes as possible. More care must also be shown in increasing the production and consumption of fruit by-products.

The party's policy, based on Comrade Enver Hoxha's teachings and on acquired experience, aims at the harmonious development of all the districts of the country, as has been done hitherto, progressing in the direction of narrowing the differences between the lowland areas on the one hand, and the hilly and mountainous areas, on the other. The acceleration of intensification in the lowlands will be accompanied by greater material support for agricultural production in the hilly and mountainous areas, particularly in the northeastern region. Lessons must be drawn from the negative consequences of the large difference in production between the lowland area, on the one hand, and the hilly and mountainous ones, on the other, in numerous districts. The state and economic organs and the Agricultural Bank should meet the needs of these areas with investments and credits to help them extend irrigation, buy chemical fertilizers, consolidate and raise the number of cooperatives specializing in livestock-raising, and make profitable improvements in the structure of production. They must also make every effort to ensure that the privileges of economic and financial measures in favor of the hilly and mountainous areas are used with a high degree of efficiency.

The great tasks posed in increasing agricultural and livestock production during the current 5-year period will be accompanied by the investments necessary to strengthen the material and technical base. The chemical industry will progress at a high rate, mainly in the service of agriculture. As a result of the construction of new projects and the extension of existing ones, the production of chemical fertilizers will reach 500,000 tons, or 55 percent more than in 1985, while the production of pesticides will increase 44 percent.

In addition to the Banje basin and its complex irrigation system, a further 105 irrigation projects will be built, extended, and reconstructed throughout the country. Sixty thousand hectares of land will be irrigated for the first time and irrigation will be improved over large areas. An agriculture using large quantities of chemical fertilizers and an intensive system of irrigation requires more organic fertilizers, which must be secured on a large scale and in every possible way.

Under our conditions, the growing needs of the working people for agricultural and livestock produce must be met from increasingly limited acreage per capita of the population. The increased fertility of arable land, its preservation, and its extension remain a permanent problem. The complex of measures connected with this broad process must be carried out on the basis of sound criteria and in accordance with natural and climatic conditions, the structure of production, and the yields that must be attained.

The state organs and scientific institutions must adopt measures to accelerate the work done on saline and acid-bearing soils, which occupy large areas, and to raise their productivity. They must halt the liberal transfer of arable land for building purposes. The Ministry of Agriculture and the state organs in the districts must strictly determine suitable measures to halt erosion and to rebuild terraces, particularly in the hilly and mountainous areas, and they must exercise strong control concerning the reclamation of new land.

The party has directed and has worked constantly to make agricultural enterprises the vanguard of our agriculture with regard not only to production, but also to organization, management, and the consciousness of the people working in them. There has been progress in this field and there are no few enterprises leading the development of our agriculture through their example. At the same time, there are still a considerable number that have not placed themselves properly in this role; there are even agricultural enterprises under the level of agricultural cooperatives with approximately the same conditions. The fact that some agricultural enterprsies incur losses cannot be justified. They have good soil and a suitable production structure and they have sufficient equipment and specialist cadres at their disposal. This state of affairs must be remedied as quickly as possible. The cooperative system will be further strengthened and perfected in the current 5-year period. The number of higher-type cooperatives will be increased both in the area designated for priority intensification and outside it. The original process of combining those relations that are characteristic of group property with those that are characteristic of state property will be further deepened in the cooperatives. The further transformation of this intermediate type of socialist property in the agricultural sector into the property of all the people will follow a natural course and will not be carried out hastily. Group property will not exhaust its own possibilities for a long time yet.

The participation of society through nonreturnable funds for investment purposes will constitute the axle of the state-cooperative interrelationships, moving on gradually toward the increased proportion of state assets in the entirety of the production funds used by the higher-type cooperatives. The party is studying the possibility of experimenting and implementing new forms of distribution -- gradually and by the cooperatives themselves -- which would enhance the features of state property in the cooperatives of the higher type in the zone designated for priority intensification.

The second phase of the program of priority intensification will be generally implemented in the lowlands. This will be achieved through a broader extension of the cooperative-state relations in the higher-type cooperatives, as well as through the increase in and the more rational utilization of the material and technical base.

5. Let Us Struggle for a Guaranteed Well-Being and Its Constant Elevation [subhead]

The development of the economy during the eighth 5-year period creates the possibility of securing a larger accumulation fund and of increasing the consumption of the population. The accumulation norm is expected to reach about 28 percent and the consumption fund is to increase approximately twice as much as the population growth rate. In accordance with the increased purchasing power of the population, retail trade will increase 25 percent. The consumption norms of various agricultural and industrial commodities will increase both in rural and urban areas. The real per capita income of the population is expected to be 7-9 percent higher than in 1985. In the countryside it will rise twice as rapidly as in the cities.

It is essential to adopt comprehensive measures to fundamentally resolve the question of the supply of the population with agricultural and livestock products. This requires the efficient use of all methods for the increased production of meat, milk, eggs, beans, potatoes, and vegetables; the stimulation of the initiative and interest of the cooperatives and the peasantry; and a better use of technical and scientific achievements, advanced experience, improved breeds, selected seeds, and so forth.

A perceptible improvement must and can also be achieved in supplying the market with industrial mass commodities. This means a better use of existing productive capacities not only in the light and food industry, but also in the other branches of industry.

Let us all think and work imaginatively and creatively to increase production, to raise quality, and to increase the range of foodstuffs, clothing, household appliances, construction materials, and so forth. Let every reserve, even technological waste, be used thriftily to produce small and minute items.

The trade sector plays a particular role in improving the population's living standards. Its trade organs, both at the center and at the base, should acquaint themselves more closely with the demands of the people and with trends, should operate with greater flexibility in distributing commodities and in collecting goods from the countryside, should improve various forms of trade, and should raise their professional standards. The trade sector must show greater interest in the countryside and also adopt measures to increase production through its own forces, reviving the good traditions that we had. The work of the trade enterprises should not be assessed solely from the fulfillment of the turnover plan, but primarily from the degree of the fulfillment of the needs of the population and the standard of its service.

Particular attention will be paid in the current 5-year period to the development of education, culture, and sports, as well as to the extension of the health service. The development of these sectors will be supported through new investments. A number of important institutions will be constructed, such as the Enver Hoxha Museum and new buildings for the National Library, the post and telecommunications, and the press. Nine large hospitals, 8 maternity hospitals, about 100 secondary and 8-year schools, 3 vacation centers for workers, 12 sports halls, and hundreds of smaller institutions will be built.

Over 71 percent of the pupils leaving the 8-year schools will go on to secondary education, compared with 57 percent in 1985. The army of specialists and higher-school cadres will be increased by an additional 21,000 people. New qualitative and quantitative developments will take place with regard to publications, cinematography, and television. The number of television and telephone sets will be increased. All television programs will be in color and will cover the entire territory of the country. Prophylactic and diagnostic work will be consolidated and medical services will be improved.

The needs of the population for repair and other services are varied and growing. As a whole, these services will grow by 43-45 percent during the 5-year period, but in the countryside they will be doubled. Communal enterprises are service enterprises and should therefore get away from the harmful tendency to produce new commodities at the expense of doing repair work. The weak link in the communal economic system is low quality and lack of correctness in serving citizens. The party organizations and state organs in the districts must correctly appreciate communal services and carry out work that is better organized for the qualification and education of the workers in this sector.

The AWP Central Committee had adcpted a decision to secure abundant potable water for all the villages and inhabited centers of the country by 1990 through actions on a national scale. Following the achievement of self-sufficiency in bread grains and the electrification of the entire country, following the establishment of schools throughout the country and the linking of the overwhelming majority of inhabited centers through roads and the telephone, the provision of potable water will constitute another victory of the party and of the people's power. This great project will result in improved living standards, will bring to the countryside new elements of urban culture and life, and will serve as a factor with direct prophylactic and hygienic consequences.

The AWP Central Committee is convinced that, through joint efforts, the workers class and the cooperativist peasantry, in the spirit of class solidarity and volunteer activity, will successfully complete this great action ahead of schedule.

Our patriotic and industrious peasantry, distinguished by its militant spirit and patriotic traditions, its contribution in the liberation struggle and in socialist construction, and its high degree of political and ideological awareness, fully deserves this special solicitude of the party and the people's power.

The stability of the economy; full employment; the stability of the price of commodities and services; the social security system; the improvement of the housing, working, and vacationing conditions of the working people; and the prevailing public order constitute those economic and social factors that make the life of our people prosperous and secure. These achievements will be consolidated with a perceptible increase in the social consumption fund, the construction of 85,000 apartments and houses, the consolidation of the pension system, particularly in the countryside, and so forth. Through the system of guaranteed services free of charge alone, every family will use, on the average, 3,000 leks from the social funds.

Socialism increases and enriches the demands of people. Through its policy, the party seeks to increase the possibilities of meeting these demands. Our line has been and remains that of normally meeting the normal needs of the people instead of petit bourgeois caprices, of expending for the good of everyone and not for excessive luxury. The party's policy has been to give priority to massive and essential needs, to view the present and the future, as well as the interests of all social classes and groups, in unity. We will consistently follow this road in the future.

6. The Perfecting of the Management of the Economy and Production Relations Constitutes a Need of the Times [subhead]

At the present stage the management of the economy must be raised to a higher level in accordance with the demands and achievements of technology and science.

The principles of management are the same, but they must be implemented in accordance with the concrete conditions of each district, enterprise, or smaller unit. The work has become more varied and problems have become more complex. This requires that everyone should be on top of his task; that the barriers of narrow local, departmental, and sectorial interests be broken down; and that particular interests be harmonized with general interests. Empirical and preindustrial methods of management can no longer apply.

Knowledge of the laws of the economy, science, and technology is an essential prerequisite for contemporary organization and management. Possibilities exist now to widely use information, computers, and statistics to extract analytical and synthesized data to serve managerial work.

Organization and management must be raised to a higher level everywhere, but particularly in the larger production systems. Management efficiency is verified and enriched through experience. The progress of production, the rational use of the country's resources, and technical and technological progress depend on it to a large extent.

Our economy is managed on the basis of the principle of democratic centralism, which combines the centralized management of the state from above with the initiative of the base and of the masses from below. The consistent preservation and implementation of the demands related to democratic centralism is a principled issue. In practice, however, we do come across cases of its incorrect application. The party has criticized some harmful manifestations that have been observed -- the tendency to centralize even the smaller things, to take away the competences of the lower organs, and to transform the base into a mere executor.

These manifestations are particularly unsuitable in relations with agricultural cooperatives. These must have greater initiative and competence in determining their own affairs and in finding the more rational ways of increasing their income and production in accordance with their own conditions.

Some unjustified concentrations and specialization in production also constitute excesses. There is no reason why the production of furniture should be concentrated in two or three districts, and the same applies to household commodities, soft drinks, and even smaller articles used throughout the country. This increases production expenditure and causes supply difficulties, not to mention a uniformity of tastes. The concentration of the production of vegetables, milk, or eggs in larger units and on a cooperative scale has caused similar difficulties. The further intensification of the economy will undoubtedly require concentration, specialization, and cooperation on a large scale, in the same way that the use of reserves in an extensive way will require a larger degree of extension in the field of production, as well as supply.

The perfecting of economic management requires a strengthening of control throughout the pyramid of state and economic organs. Forms of the organization of control must be studied and must be better resolved at the basic production units -- in the brigades, sectors, units, factories, and so forth -- where work management, efficiency, discipline, and order begin. Special importance must be given particularly to internal control, this being control at the base, that follows the entire process of production and does not permit the creation of shortages, deterioration of quality, and excessive expenditure -- the kind of control, that is, which imposes strict order in keeping records on the movement of raw materials, finished products, and waste.

The efficient control of specialized planning, financial, and banking organs, which are important organs for the implementation of the economic policy of the party and of the state, must be perfected and raised to a higher level. These organs are required to further raise their control and preventive activity with regard to negative manifestations. They must actively influence all efforts to raise production and incomes. The specialized control organs must particularly follow up the distribution and the highly efficient use of accumulation. They must make every effort to constantly guarantee unity between production and consumption, to preserve correct proportions in the plan and in its execution, and to bar all paths to an increase in purchasing power without an accompanying increase in production and productivity and without ensuring the necessary economic efficiency.

In order to reinforce specialized state control, the AWP Central Committee has directed that measures be studied and implemented so that its organs be built and function in the most efficient manner possible. In this context, it is thought that a State Control Commission should be created, a body with ministerial attributes and full executive competences.

The rapid and dynamic development of the economy and of society as a whole constantly raises major, complicated problems requiring more complete and rational solutions. It is therefore essential to raise the advisory and executive force of economic thinking and logic in order to find the optimal solutions and the most rational ways of using the country's potentials and in order to clarify prospects. More studies should be carried out and more suggestions should be made concerning the most profitable placing of investments, concerning what structural changes in the economy must be stimulated first, concerning operations to be carried out in the field of foreign trade to secure more revenues, and so forth.

Strong economic logic must permeate the entire planning design, and executive activity can and must effect considerable savings in the field of investment and construction. Solutions must be found, leading to the increase of production capacities at the lowest possible cost, to reductions in the cost of construction, and to the shortening of construction schedules. The action for the construction of the Milot-Rreshen-Klos railroad shows the efficiency of the use of concentrated forces on a national scale as well as of advanced organization. The Central Committee hails our magnificent youth for its militant spirit, its inspiring example at work and in action, its creative activity, and its devotion to the socialist ideals characterizing it. The party is firmly convinced that the young generation will direct all its energy and thinking to implementing the tasks posed by the eighth 5-year period and that it will further promote its glorious traditions.

Economic management and thinking must always center attention on the questions of the efficiency of expenditure, the increased viability of production, the reduction of the cost of products, and the increase in the resources of accumulation. The broad fulfillment of plans in production and elsewhere is a decisive prerequisite for achieving the eighth 5-year period objectives with regard to raising accumulation resources.

A financial accumulation of nearly 2.4 billion leks is expected from cost reductions in production, construction, and services alone. This is one of the tightest tasks of the current 5-year period. A constant effort must be made in the plants, factories, fields, and everywhere else to reduce waste, losses, and damages in order to fulfill this task. Technical norms are to be established and applied in the use of raw and ancilliary materials; expenditure in particular units and in the enterprise as a whole is to be reduced; and persistent effort is to be made to increase the quantity of products from a given amount of raw materials, to increase the degree of recovery [rikuperim] of valuable minerals, and to reduce their depletion.

Particular attention must be paid to raising labor productivity, which accounts for 45 percent of the planned increase in social production. This requires that the mechanization of production and the technical-professional qualification of the workers be raised without fail, that technical norms be established everywhere, that discipline and order be tightened, and that the efficiency of working time be raised.

Our party has shown constant solicitude to see to it that the quantitative and qualitative development of production forces be accompanied with the perfecting of the various aspects of production relations. These have generally been built and are built on sound Marxist-Leninist foundations; they have had and still have a stimulating and mobilizing role. But new developments impose the need to perfect some of their particular links which, it is true, are partial and may appear to be a small matter, but which open the way to, and provide dynamism for, the development of production forces and increased economic efficiency.

Production relations are fundamentally relations of interest affecting society, the collective, and the individual. Socialism correctly harmonizes these interests. But experience shows that in the process of development, the possibility of the creation of temporary disharmonies exists. Attention must be paid to eliminating them as rapidly as possible. Though priority must be given to the general interest as always, the interests of the collective and of the individual must also be properly appreciated so that everyone may be directly interested in increasing production and productivity, in reducing costs, and in improving technologies.

Implementing the decisions of the Eighth AWP Congress, a number of measures have been adopted for a more complete relationship of wages with the fulfillment of planned quantitative and qualitative indicators. In these fields, however, there are still a number of problems requiring study, experimentation, and practical application. The differentiated remuneration for the overfulfillment of planned tasks in the oil and chromite extraction branches, which has given good results, must be generalized and extended to other branches of the economy. Productive, qualitative, and thrifty work is to be stimulated and appreciated more highly -- not only morally, but also materially.

The party's policy concerning incentives must be properly understood and implemented. While giving priority to moral incentives, material ones must not be neglected. This must be kept well in mind, particularly concerning those collectives and individuals who overfulfill the planned tasks, and all the more when they make inventions and rationalizations of perceptible value to the economy.

Prices represent a powerful lever in the field of production, which they either stimulate or check. There are a number of problems to be studied in this field. However, improvements are currently necessary in the price of agricultural and livestock products that are procured, to bring the degree of viability of the various products closer together and to stimulate the overfulfillment of production plans, quality, and early products; to stimulate increased weight in livestock to be slaughtered; and to increase the withdrawal of subsidies from the economies in the lowland area in favor of other areas [e terheqes se rentes diferenciale nga ekonomite a zones fushore ne dobi to zonave te tjera].

Comrades, viewing the socioeconomic developments to date, as well as the objectives we aim to attain, we can reach the conclusion that, in the current 5-year period, Albania is making a considerable and important stride forward toward its transformation into an industrial-agricultural country, which represents a more advanced stage in the construction of the material and technical base of socialism. The party and the people have aspired and have struggled to reach this objective; they have even made sacrifices over entire decades.

By 1990 it is expected that industry will account for approximately 57 percent of the social product and 64 percent of the industrial and agricultural production taken together. The means of production will account for about 65 percent of the industrial production and the heavy industries will provide about 50 percent of the latter. With regard to national revenues as a whole, industry, construction, and transportation are expected to provide 52 percent of the total in 1990, agriculture 42 percent, and the other branches of the economy about 6 percent.

The approach toward this objective will surely inspire the workers class, the cooperativist peasantry, the people's intelligentsia, and all our people, to further promote the construction of socialism under the party's leadership and Comrade Enver Hoxha's teachings, to increase the country's prosperity, and to raise the prestige of our beloved country even higher.

II. [Roman two] The Strengthening of the Party and the Elevation of Its Role to the Level of Contemporary Tasks [subhead]

The party has been and remains the decisive factor, the sure guarantor of progress on the brilliant road of socialism. Leading the people, united around it, the party has successfully accomplished and is successfully accomplishing its historic mission.

We have a strong, revolutionary, and militant party, politically and ideologically elevated, tempered in numerous and bitter class struggles, and possessing a tested leadership and organizational abilities. Its force and vitality have been tested throughout its entire life and activity in the past 45 years.

With such a party in the lead, our people will always march forward, will cope with every situation, and will defend and secure the country's freedom and independence and the cause of the revolution and socialism in Albania.

Comrade Enver Hoxha has stressed that the greater the tasks of the country's socioeconomic development, the more difficult and complex the questions seeking solutions, all the more decisive the party's leadership role becomes. Our society has currently entered into a phase of dynamic development. In testimony to this are the objectives stipulated in the new 5-year period. The elevation of the revolutionary fervor of the masses, the high degree of their mobilization, determination, and their readiness to work more and better constitute another important trait of our country's present life. Hence, the task arises that the party's entire activity and, concretely, its activity in the field of organization and leadership must be raised to a higher qualitative level.

A more concrete and operative work is now required, an effort which will increasingly serve the raising of the leadership role of the party organizations, the mobilization of the masses, and the resolution of problems. A dynamic and efficient leadership is needed in all links of the chain and at all levels of the party. Words, general observations, and leadership through orders and stereotyped instructions hinder progress and do not help to overcome the weaknesses observed in particular sectors of the party's activity. The fact that tasks have not been fulfilled in some sectors of the economy in Diber District for some years; the fact that the production of bread grains in Kruje District has not been satisfactory, and this also applies to the development of the livestock-raising sector; the fact that the oil and gas production plans are not being fulfilled in the districts of Fier, Vlore, and Berat -- all these facts are explained by leadership shortcomings on the part of party organizations.

The activity of the party organs and organizations is intended to ensure the fulfillment of tasks in all fields. This is also the best indicator of the quality of their work. The role of the party's effort must be felt more strongly, therefore, particularly where the difficulties are greater and progress is not made at the required pace. That is the place where the party's intervention is required; that is the place where the communists must set an example to remedy matters. Particularly at this moment the organization of work, the mobilization of the people, and the most efficient possible use of their energies are of particular importance. This is especially decisive in the field of the economy -- for finding solutions to its problems -- where it is absolutely essential that numerous forces, the party and economic organs, all the instruments of the party, should be set in motion better than ever before to fulfill the concrete and specific tasks incumbent on them.

The successful implementation of current tasks and the resolution of problems that arise in life require an even more intensive effort against manifestations of formalism in the party's work, against rigid schemes and outdated methods. The party organizations and the communists must respond on the spot to the fervor of the masses and the dynamism of life. They must be more agile and act with initiative. They can never be allowed to remain mere spectators. Slowness and procrastination severely harm the party's work.

Visible improvements are required in raising the quality of the organizational and leadership work of the party's basic organizations. They are directly responsible for the fulfillment of tasks in their respective sectors; they are directly responsible for the clarification and mobilization of the people; they must demand accounts from everyone and exercise control over everything. But there are not a few basic organizations that fail to stand up to the level of requirements and to play their role properly. One cannot speak about efficient work in the case of those party organizations in the livestock-raising sector in Gjirokaster and Sarande districts, where considerable damage was caused to livestock last winter, or in the case of those party organizations in some cooperatives in Mat District, where production plans are not being fulfilled and the value of a normal working day is low. The party organizations and the communists must roll up their shirtsleeves, must remain always in the lead, must boldly overcome difficulties, and must fulfill their tasks frontally.

The role of the party organizations in the state administration, and particularly in the central departments and institutions, must be particularly increased and reinforced. Criticism has been heard from time to time concerning the shortcomings and various weaknesses in the work of some departments concerning bureaucracy, technocracy, and departmentalism. It is the duty of the party organizations to make all the personnel and communists in the various departments aware of the fact that the solutions to many current and future problems affecting the entire country depend on them, that their method and style of work directly influence the performance of their dependent organs in the district executive committee, enterprises, and agricultural cooperatives.

The party insists that the basic organizations should be characterized by a lofty sense of responsibility for the implementation of its directives and orientations. They themselves should, primarily, make every effort to understand the ideopolitical content and the various socioeconomic aspects of these directives and orientations. A full understanding of their importance and need is a basic requirement for their correct implementation. The conditions in which various party organizations operate are not similar. The problems and tasks that must be resolved have their own characteristics. The party's orientations and directives cannot, therefore, be implemented in a uniform manner and through the same measures.

Doing creative work, the party organizations must, at the same time, take care not to fall into positions of formalism and mechanical implementation of directives. The district party committees must also carry out a more qualified effort with regard to directives; they must work them out in detail and concretely and thus provide efficient assistance to the basic organizations.

Numerous party organizations that have gained considerable experience exist in every district -- organizations operating with initiative, following up problems well, and carrying out their tasks successfully. A lively debate is carried out in these organizations; there is sound criticism and self-criticism; accounts are demanded and rendered concerning the implementation of decisions. Numerous party committees, bureaus, and organizations have gained considerable experience in this respect, particularly following the 13th and 14th AWP Central Committee plenums.

That experience must be carefully studied by party committees in order to raise and perfect the role of basic organizations everywhere, that those achievements and qualities may be further consolidated and promoted. Through a more qualified effort, the party committees could better assist the basic organizations and avoid all manifestations of tutelage and dictate, which check initiative and independent action. Maintaining direct links with the basic organizations, the party committees must not leave solicitude, assistance, and control solely in the hands of the party bureaus in enterprises, cooperatives, and institutions. It is necessary to understand once and for all that no task can be fulfilled unless every basic organization is raised to the level of current requirements. The structure of the basic organizations and the distribution of party members must also correspond to this aim.

The party's correct line, its Marxist-Leninist ideology, and the example of its members have always stimulated and mobilized the working people in great revolutionary actions and deeds. Our party's members are in the vanguard of socialist construction, distinguish themselves at work and in life, and militate like true revolutionaries. There are also Communists, however, who fail to distinguish themselves as such, who believe that their role is merely to carry out their task as workers, cooperativists, or officials. In fact, the horizon of the work of a Communist is a very broad one. His duty is to distinguish himself as a leader of the masses, as a political and social activist, as a fighter for the implementation of the party's line at work and outside it, in all directions and in all fields of life.

The party's constitution synthesizes the qualities of party members, qualities that are essential to fulfill their vanguard role. These qualities are in continuous evolution; they are being developed and perfected. At all times and in all situations, Communists are required to distinguish themselves as talented leaders and organizers of the masses, as innovators of what is progressive. The party and the people want the Communists always to be bold fighters for the implementation and defense of the party line; they want the Communists to lead the masses for the construction of socialism and the country's defense. They want the Communists to be men of sacrifice, devoted and loyal to the cause of communism; they want them to be modest and decent with people, but also strict against the enemies -- resolute opponents of opportunism, sectarianism, bureaucracy, and unseemly behavior in public life. The people want the Communists to be near them as frequently as is possible; they want to talk to them. The people want the Communists to be distinguished social activists and exemplary citizens.

The clean personality of party members cannot be reconciled with manifestations of indifference, complacency, the tendency to avoid difficult work, and efforts to draw benefits from party membership or their position. The party organizations and committees cannot reconcile themselves to such manifestations and to a tolerant attitude toward such manifestations apparent in a particular Communist.

The party is carrying out a considerable effort to temper the Communists through all the varied forms and means of education and propaganda. The results attained in this are considerably positive. But improvements are also necessary in this field. Propaganda and educational work must provide Communists with greater political and ideological knowledge; it must strengthen their revolutionary spirit and character; it must assist them in better understanding and interpreting contemporary phenomena; and it must develop creative thinking in them, the dialectical manner of thinking.

The life of the party organization itself is a great school to temper the Communists. A tepid and bland life educates poorly. The lively and active life of the basic organization transforms Communists into real revolutionary fighters.

The considerable tasks confronting us require that control and accountability should be strengthened everywhere and in everyone. Control, accountability, and discipline are required in the first place within the party's own ranks. Every Communist, every party organization and committee should work persistently to ensure that the party's directives, orientations, tasks, norms, and decisions are implemented without fail. Unless this is done, the party cannot play its mobilizing, organizational, and leadership role, and its efforts will be fruitless. Correctness in everything and the example of the Communists, the cadres, and the basic organizations in the implementation of tasks, directives, and the party's orientations and norms -- this is what makes the party's control inspiring and acceptable. Without these essential prerequisites, no one will listen to them; it will be impossible to elevate the minds, hearts, and energies of the people to attain the targets in production and in every other field.

Control over the implementation of the party's directives and decisions is ensured through the lively activity of all Communists, through their close links with the masses, through the broad activation of worker and peasant control and control of the social organizations and of the masses themselves. Efficient control in our system means control by the class and by the masses. This has been one of the major factors why our country has progressed on the right path. The party demands that direct control by the class and by the masses be raised to a higher degree, that it be exercised continually and over everyone. The party has adhered to and continues to adhere to the great principle that the construction of socialism is a deed of the working masses led by the party. The masses therefore enjoy the full right and have the lofty duty to exercise their control in every aspect of the country's life. The control, remarks, and criticism of the masses constitute one of the most powerful instruments in making things progress in every sector.

The increase in the party's ranks with devoted and revolutionary elements is a great and vital problem for the constant strengthening of the party and its leadership role. About 147,000 Communists are currently militating in the party. About 6,000 candidate members have been admitted into the party on average annually since the Eighth AWP Congress. About 80 percent are from the production sector, about 70 percent are young, and about 40 percent are women. This has resulted in further improving the social composition of the party's ranks. Communists of workers class origin now constitute

39.2 percent of the party's membership, cooperativists account for 29.5 percent, and whitecollar workers 31.3 percent, that is, 1.4 percent less than before the previous congress. Female comrades constitute 32.2 percent of the membership, that is, 2.5 percent more.

The AWP Central Committee is of the opinion that the rate of new admissions and their social composition should continue to be as it was during the past 5 years, giving priority to the admission of Communists from the most difficult and important fronts of the production sector.

The party committees and basic organizations must devote particular care to increasing the ranks of the party. This question must be followed up and implemented earnestly, creatively, and on a scientific basis, avoiding any bureaucratic or liberal treatment, all formalism and superficiality.

The high quality of the moral values of fresh candidates for party membership remains, as always, a fundamental prerequisite. The party needs loyal, honest, and valiant people, but also people equipped with a broad cultural horizon, determined fighters for what is new, people of strong character who enjoy the affection and respect of the masses, are devoted to the cause of communism, revolutionaries who are ready to make any sacrifice, people who are determined to march on the road of Marxism-Leninism. The party needs freshness and new thinking. The dynamism of youth, combined with the experience of the older Communists, makes the party stronger, lively, and always active.

Naturally, the political past and the present political position of the candidate's family, his social origins, his professional abilities, and his results at work -- all this is of great importance. But no less important are his personal character, his political maturity and understanding, his moral and social personality, and his behavior as a citizen.

The candidate's probationary stage must also serve increasingly to cultivate and infuse these qualities. The probationary stage is a serious test to verify the qualities of the future Communist and a filter to keep the party's ranks constantly pure.

More open work is possible concerning the question of the admittance of new members into the party. It is possible to raise further the interest of the masses concerning those who seek to enter the party's ranks; it is possible to organize better the active soliciting of the working people for admission into the party. The masses are very interested in seeing that the best people enter the party's ranks, that the party always remains strong and pure and young. More careful work must be carried out with the mass organizations, particularly with the young organization, to induce them to understand better and to apply better their right and their duty to propose the most distinguished people in their ranks as candidates for party membership.

2. Let Us Steel the Party's Links With the Masses, Let Us Implement the Line of the Masses Everywhere [subhead]

The successful accomplishment of the considerable tasks that we are setting ourselves requires that the party's links with the masses be constantly strengthened.

"The party's problems -- Comrade Enver Hoxha teaches us -- are problems that concern the masses; we must seek and find these problems among the masses; we must discuss and resolve them together with the masses, because it is precisely the broad masses that create, build, and transform the world, society.... The line of the masses reinforces the party a hundredfold, further deepens democracy in its internal life, and strengthens the party's links with the people." [quotation marks as published]

Direct links with the masses achieve and ensure the natural and clear communication required by the party and desired by the masses. The party must know the opinions and real concerns of the people, because it is from them that it draws conclusions and sets out tasks; it is from them that it verifies the correctness of its directives and orientations. Warm communication between the communists and cadres, on the one side, and the people, on the other -- the sincere and simple discussion with the people concerning problems -- is an effective way of finding out about the state of affairs and of strengthening the party's links with the people.

The social organizations: the Democratic Front, the trade unions, the Youth Union, the Women's Union, and so forth play an irreplaceable role in the implementation of the line of the masses and in strengthening the party's links with the people. They unite the workers class and the cooperativist peasantry, the intelligentsia and the women, the young people and young pioneers, veterans and pensioners in one single ideal and one single will. The party organs and organizations must, therefore, further improve their work with the mass organizations so that these bodies may further raise their mobilizing and implementing force; they must create broad horizons of work for the mass organizations and engage them concretely in resolving problems confronting the party. Above all else, it is necessary to raise the role and activity of those Communists who are militating in these organizations and resolutely avoid all manifestations of underrating them. It is essential that the party committees and basic organizations have a broader vision of the work and role of every one of the mass organizations, but at the base. The party's leadership must be continuous, but must in no way be confused with tutelage, which suppresses and dims the initiative and independent action of the mass organizations.

The party demands from the workers class that it remain, as always, in the frontline of the work and struggle for the construction of socialism, that it have its say strongly concerning everything, that it be combat-minded and irreconcilable with any position or manifestation and is contrary to the interests of society. The trade unions must further reinforce their educational and mobilizing activity, must further vitalize socialist emulation, must develop creative and innovative thinking among all the working people. It is also the duty of trade unions to show particular and constant care for the life of the working people and their working conditions.

Our youth has been and remains the most vital and active force of our society. It is the youth that will take up and carry further the baton of the revolution and socialism in Albania. It is the duty of its organization, the Union of the Working Youth of Albania, to work with favor, enthusiasm, and creativity -- under the party's leadership -- to see that our young generation is tempered politically and ideologically, that it is raised morally sound and physically strong. Tireless work is to be carried out so that our youth may acquaint itself and adopt for itself the freedom-loving political and revolutionary social traditions of our people, and so that it may be armed with the party's Marxist-Leninist ideology and Comrade Enver Hoxha's teachings.

As hitherto, the youth and its organization are to remain constantly in the frontline of the struggle and always on the offensive against the vestiges of outdated and backward customs and against the dissipative and degenerative influences of the capitalist and revisionist world; it should militate ardently for what is new and progressive at work, in life, in society, and everywhere else.

The party is confident that the youth, as always, will be characterized even more strongly by its thirst for knowledge, culture, and science, by its will to learn and study, and by its persistence in mastering technology and in qualifying itself increasingly to serve with devotion wherever needed by the country.

Women play a great and growing role in every aspect of the country's life. In our country women are present and active in all fields of life, in production, in teaching, in sociopolitical activities and everywhere else. Despite their great and unprecedented emancipation, the task remains to work even more to further raise the cultural and, particularly, the professional level of women for the constant democratization of relations in the family, the socialization of work in the family, the good upbringing and education of children, and so forth. The role of the Albanian Women's Union -- to make women more conscious of the tasks confronting them -- must be better felt here.

The Democratic Front, the organization enjoying great authority among the people, has a broad field of activity in the political and patriotic education of the masses. Its noble and lofty mission is to steel the unity of the people around the party and to protect and reinforce the people's regime. As a bearer of the freedom-loving, democratic, and revolutionary traditions of our peoples, it is the duty of the Democratic Front to develop and to implant these qualities deeply among the masses. Social problems concerned with relations between people, their way of life, and the struggle against alien manifestations must occupy an even greater place in the work of the Democratic Front organizations. The party also highly appreciates the contribution of war and labor veterans in the patriotic and communist education of the masses.

The leading organs of the mass organizations are required to show greater creativity and initiative, to vitalize the internal life of their respective organizations, to generalize the positive experience, and to raise the efficiency of their activity. These organs are required to work better to preserve the traits of their organizations and to devote more attention to their concrete and specific problems. They should at all times keep under consideration the particular traits of the various sections of the population, their development and evolution, their specific demands. In this way they will be able to carry out better their function as instruments of the party and to bring its line to the masses and act as tribunes of the voice of the masses.

3. The Ideopolitical and Professional Elevation of Cadres -- A Fundamental Prerequisite for the Country's Progress [subhead]

The work carried out by the party during the past 5-year period in selecting cadres and in educating them is a rich one. Compared with the situation at the end of 1980, in 1985 our country had 53 percent more people with secondary and higher education. The fact that about 35 percent of the cadres are of workers class origin and that 42 percent are young girls or women is another success of the party's policy. This large army of cadres, educated by the party, has played a great role in all our achievements and progress. The task is that these qualified forces be used increasingly better and with a high degree of efficiency.

The efficient activity of the political, economic, and social institutions of all working collectives, is closely related to the ability of those who are leading them. The promotion of cadres and their selection is therefore a matter requiring particular care. Energetic and suitable people are now required in every sector, people who are capable of promoting progress. It is necessary to understand well that life, the country's development, and the problems requiring solutions confront the cadres with demands for greater knowledge and capability, more culture and dynamism. Every field of activity can currently be led successfully only with qualified work based on scientific methods.

Political guarantees and purity of the moral personality remain unchanged prerequisites in the selection and promotion of cadres. Professional ability, cultural and scientific level, the correct attitude of cadres toward what is new, and flexibility in the conditions of a rapid development of the country's socioeconomic life assume particular importance in order to ensure a more competent management.

Management cadres progress and grow gradually, learning and gaining experience, affirming themselves through the accomplishments of their works, gaining the confidence and respect of people. Their appointment must be natural and justified. Sentimentalism and subjectivism in the appointment and promotion of cadres are harmful.

It is essential that high demands be made on cadres. This is one prerequisite for raising their sense of responsibility and their capabilities. Our socialist society cannot tolerate a situation in which those who are incapable and sluggish remain in charge of work, because they check its development and progress. New times and new tasks require people who live and keep in step with the comprehensive development and progress of the economy, science, culture, and the country's life.

The party organizations and the various state organs must therefore give greater support to young cadres, to the talent that is constantly born in our society. The fact that about 70 percent of present-day cadres are under the age of 40 is a very positive indicator; the number of cadres over 51 years of age represents only about 8 percent of the total.

The promotion of young cadres is an essential prerequisite dictated by the dynamic development in the country's life and the means to ensure a normal continuity of generations. Our people are currently entering life much better trained and have a broader educational, cultural, ideological, and professional horizon. They are inheriting the experience of past generations and their starting base is much more advanced. Let us therefore better appreciate the young cadres, let us have greater confidence in them, let us charge them unhesitatingly with tasks and responsibilities, opposing all conservative attitudes.

A system for the training of cadres in all specialities has been set up in our country. At the pace that we expect to progress, we will generally meet future needs satisfactorily. The structure of cadre training is also satisfactory. The question of certain improvements needed with regard to specialization will be resolved, as hitherto, at the base of the respective branches as well as by creating new branches and specialities.

It is important to further raise the overall standard of cadre training. Our cadres must learn constantly from books, from life, from advanced experience, and from each other. The party is opposed to the self-complacency apparent in some cadres who are not only studying too little, but who also believe that they can work and carry out their tasks without having to learn, without broadening their own horizon.

The situation in which we are living requires increased care in revolutionizing the cadres. The party has worked and continues to work persistently for the ideological and political education and tempering of the cadres, to strengthen and imbue in them those lofty virtues and qualities characterizing our people and party. This purpose is also served by the consistent implementation of the party's policy concerning the circulation of cadres, the insistence that they must be accountable to the masses, and their direct participation in productive work in various forms. Our cadres are inspired and draw lessons from the determination and creative initiative of the masses, from the combative spirit with which the masses meet difficulties and overcome obstacles.

A revolutionary cadre is a farsighted cadre who looks far into the future of the development of the country, the enterprise, or the institution where he works, who looks beyond the wall of temporary difficulties and obstacles, beyond present achievements.

Having a clear idea about future tasks, our cadres are better able to organize things well, to open up horizons to the working people, and to mobilize them for the successful implementation of the party's directives and the plans.

Visible improvements have been made in the activity of all state organs during the period covered by this report. The work of the state organs and of the entire state administration has been more efficient. The qualification of the people's councils and of their executive organs to carry out their functions competently and responsibly has also improved. The work for the education and qualification of their members has been further improved.

The constant strengthening of the state organs must, as always, remain at the center of the party's attention. The party sees to it that the state organs, at all levels, carry out their activity on the basis of the Constitution and the laws derived from it, that they fully carry out the tasks with which they have been entrusted. Let us avoid those cases when the councils at a higher level usurp the competences of the lower ones, and it is also all the more necessary not to permit executive or other state and economic organs to usurp the competences of the people's councils. Every organ, institution, military command, enterprise, or cooperative is under the obligation to recognize the authority of the people's council and to refrain from carrying out any activity without its prior authorization and approval when this is required by the laws and regulations in force.

It is particularly essential to strengthen the authority of the people's councils at village level and to make certain that the competences it enjoys by law are not usurped by the united council [keshilli i bashkuar]. The problems concerning the villages are numerous. They are related not only to production, but also to supplies for the population, health service, schools, culture, post and telecommunications, the construction of houses, potable water, hygiene, and other daily needs of the population. It is not appropriate that almost all questions pertaining to the villages should be concentrated in the hands of the united council, the party bureau, or the presidium of the cooperative. These are great problems concerning the party organization in villages. It is necessary to admit, however, that the party organizations do not devote to these problems the attention that they deserve. They concentrate themselves mainly on production questions and fail to lead the village's life in general.

In our socialist system the relations between citizens and the state are defined in the Constitution and other basic laws which guarantee them all the conditions and possibilities of being equal before the law and exercising their rights. The correct enforcement of our laws, strict respect for the interests of the state and for the rights of citizens, and the active participation of the masses in the country's administration help to protect and to develop our socialist democracy.

The organs of the general prosecutor, of the courts, the Investigation Office, and of the Ministry of Internal Affairs have important tasks in law enforcement. They must bear well in mind that they are organs of the people's power and must consequently enforce the laws and norms strictly; they must act justly and strictly, defending the interests of the state and society, as well as the rights, lives, and property of citizens.

The activity of these organs is not merely of a punitive nature; it is also educational. There is, therefore, room for considerable activity, coordinating this with the work of the party and state organs, the mass organizations, and economic organs.

Laws, regulations, and instructions are correctly applied when there is adequate knowledge of the party's line, when every problem is considered in a profound political and ideological manner, and when control and accountability are reinforced.

The activity of the Internal Affairs organs must also be raised to a higher level in all types of its services and respective units, particularly in the Border Guard units and the Police. These organs have successfully overcome in their work the consequences of the inimical activity of Mehmet Shehu, Kadri Hasbiu, and others. But under the conditions of continued class struggle within the country and outside it, it is essential that the Internal Affairs organs better carry out the tasks entrusted to them by the party, sharpen their vigilance, and act agilely and intelligently in uncovering and preventing inimical and criminal activity.

The strength of the organs of Internal Affairs, State Security, the Border Guards, and the Police lies in their links with the people. The extension and strengthening of these links constitute one of the major tasks of the work of the party and of the commands of these organs.

To ensure the successful accomplishment of tasks, greater solicitude must be devoted to the ideopolitical education, the technical and professional training, and the military and physical training of the personnel of these organs and of the units of the Ministry of Internal Affairs. It is essential that the leadership and control of the party over these organs be constantly reinforced and improved.

In accordance with Comrade Enver Hoxha's teachings, the party and the people's power have provided our country with an invincible defense. Our Army has truly become an army of the people, politically educated and well-trained militarily, equipped with a lofty consciousness and discipline and with the necessary military equipment. The Army has always remained loyal to the party and the people and, despite the efforts of the enemies, it has not deviated from its lofty mission of defending the country and the victories of the revolution.

Bearing in mind developments throughout the world, the party will devote the necessary solicitude to strengthening the country's defense potential.

The country's defense requires an army with an all-round political, military, moral, psychological, technical, and physical training, consistently implementing the requirements of our Military Art of People's Warfare. The commands and the staffs in the various units of all the branches of the Armed Forces must carry out training programs of high intensity and quality, must maintain their combat readiness at the level of the requirements of the situation, and must tighten their vigilance. The strengthening of conscious and steel-like discipline and the strict implementation of all the regulations increase the combat readiness of the Army and the country's defense potential.

The party's leadership has been and remains the decisive factor in maintaining the popular nature of the Army, and in its reinforcement and modernization. The party committees and organizations in the Army are required to work even better for the ideopolitical education of Army personnel, to maintain and develop the traditions of the National Liberation Army, to perfect the moral and political personality of servicemen, and to strengthen relations between cadres and soldiers, and between the people and the Army.

III. [Roman three] Let Us Raise Higher the Ideological Work of the Party and the Spirit of Revolutionary Militancy [subhead]

In the years since the eighth congress, the ideological and cultural revolution has intensified uninterruptedly. People's political awareness has risen to a higher standard; the militant unity of the people round the party has been further tempered; and the masses' conviction concerning the advantages and vitality of the socialist order has been strengthened.

Our socialist society has continued to advance without rest on the road to its emancipation and civilization in all areas. If we rightly consider our economic progress as incomparable with the past, then the transformations in people's political and ideological beliefs, their psychology and mentality, their way of life and social relations are unprecedented.

The Albanian party and people, with Comrade Enver Hoxha at their head, have waged a long but glorious and victorious struggle. Just as they fought with determination and bravery for the freedom and independence of the fatherland, so they fought to demolish the very foundations of the social injustice and class privilege of past regimes and for the creation of a new man, liberated from every kind of social, economic, and spiritual subjection, master of his own labor and of the destiny of the country.

1. Healthy Political and Ideological Convictions -- A Guarantee for the Progress of Our Socialist Society [subhead]

Socialism has enriched and enhanced people's lives and has freed them from a series of shackles which fettered them in their inner lives. It has propagated, strengthened, and given new content to everything of value which the Albanians inherited -- their patriotism and spirit of endurance, their moral purity and upright character, their thirst for knowledge and progress; and their democratic feelings. Feuds and vendettas came to an end because socialism created a steadfast union of people's interests and aspirations. Religious divisions, which split people and caused enmity between them, were abolished. All the regions of the country were brought closer and were linked to one another, strengthening the unity of the people and the nation.

Our socialist society, through many-sided struggle and labor, has created a new, progressive morality, which is now deeply inculcated, especially in the young generation. It was not easy within the period of a few decades to demolish the psychology of private property, carried down the generations for millennia, and in its place to shape a new concept of common property and a socialist attitude toward it. It was not easy to emancipate one-half of society -- Albanian women -- who had been discriminated against by legal codes and backward customs. It was not easy to reconstruct the Albanian family, where conservation and patriarchalism held total sway.

Socialism has given to all the opportunity to live with dignity, through their own labor, guaranteeing work for all and ensuring an uninterrupted increase in prosperity. Our citizens live in peace because they are not exploited by anybody; they have no fear of rising prices or taxes or fear that they will lose their jobs or not find medical treatment or education. The guarantee for this is the socialist economy that we have erected, our ever more productive agriculture, and our socialist national culture which forges constantly ahead.

For the first time, with the arrival of socialism, Albania created its own modern state, with an effective administration of the national wealth and a sound organization of social life. For the first time our country enjoys a free and independent national life and has its own voice in the international arena. Our people have never before been so confident regarding their present and future lives.

In no other society are the duties of the individual toward the group and those of the group toward the individual so harmoniously organized as in socialist society. Socialist society ensures by law and realizes in practice, to a truly great extent, all the democratic freedoms and rights of man, without distinction of sex, nationality, regional origin, or social position.

Our duty as Communists and citizens of the new Albania is to defend, consolidate, and advance these historic victories of socialism ever further forward. Above all, it is necessary for us to consolidate and further strengthen people's sound political and ideological convictions concerning the justice of the socialist system, with its advantages and unlimited opportunities for the all-round development of society and the individual.

Marxist-Leninist doctrine -- which forms the basis upon which socialism is built, develops, and attains its victories -- keeps alive and makes these convictions unshakable. Deep theoretical convictions are those which make conscious people's struggle and labor for the construction of socialism and which help people to correctly understand life, social processes, and their developmental tendencies. They are a basis and a powerful weapon with which to defend the victories that have been gained and to stand undaunted before the pressures which the bourgeoisie, reaction, and modern revisionism exert upon socialism.

The victorious doctrine of Marxism-Leninism and the brilliant teachings of Comrade Enver Hoxha lie at the foundation of the party line and all its work. They have enabled the party to direct itself unmistakably in every situation and to solve the many problems which have emerged in the course of time. The vitality of Marxism-Leninism and its capacity to enrich and develop itself and always to be the most coherent and up-to-date world view is constantly being proved in the practical course of our lives.

A paramount issue for a communist party and a socialist state is its standpoint toward Marxism-Leninism. Loyalty to its principles and their correct implementation decides the fate of the revolution and the successful construction of a new society. Under present conditions, when communism has been betrayed in many countries of the world and when a united front of the bourgeoisie, reaction, and revisionists has hurled itself furiously against it, the defense of Marxist-Leninist doctrine and its creative implementation is a very important duty for our party, a duty of national and international importance.

The party and our people have had the great good fortune that for whole decades they had at their head an outstanding Marxist-Leninist who knew not only how to defend passionately the doctrine of Marx and Lenin, but how to implement it in a creative way under the conditions of Albania and how to make a particular and extremely valuable contribution to the doctrine's development and enrichment. The theoretical thinking of Comrade Enver Hoxha, his teachings, and the revolutionary experience of our party are an inexhaustible treasure store, a compass which orient us and always guides us in our domestic and foreign policies and in implementing the program of the socialist construction of the country.

Our party has already created an entire system for the Marxist-Leninist education of Communists and the masses. A large and varied political and ideological literature has been placed in their hands. Now we have in Albanian almost the complete works of Marx, Engels, Lenin, and Stalin. It is especially important that our working people have in their hands the great treasure of the works of Comrade Enver Hoxha, which speak in a profound and scientific manner about the experience of the revolution and our socialist construction and the struggle against imperialism and revisionism. In them are found important analyses and conclusions concerning the history of Albania, its socialist construction, and the processes of modern world development.

But what the party now demands is that in our entire system of Marxist-Leninist education, from our secondary schools to the university, in the party school, in the broad party educational network, in the many propaganda media, and in the press and publications, we should raise the level of labor for the propagation and mastery of Marxism. It is the duty of these organizations not only to acquaint people with principles and theoretical foundations, but to shape their Marxist thinking and to provide them with Marxist methods of judgment and treatment of all phenomena and problems. All these organizations must think and work to find more effective, enterprising, and lively ways of attaining this goal. Formalism, pedantry, and rote learning hamper the true and deep mastery of Marxism and turn it into a dry, moralistic doctrine -- a doctrine of enlightenment rather than a weapon to transform, as Marx put it.

The Institute of Marxist-Leninist Studies, other educational institutes of the social sciences, and college departments have particular duties in this area. It is up to them to produce more profound analyses and Marxist interpretations of new phenomena, to publicize historical experience with topical relevance, and to refute distortions of Marxism-Leninism with sound reasoning. The standard of the propaganda of the party depends upon depth of study, the scientific level of research, sound logic, and force of argumentation.

Our people need Marxism not for decoration, but as an effective weapon to interpret correctly and solve the many problems which emerge in the course of the socialist construction of the nation. It is well-known that the growth of the economy, the development of education and culture, the various connections between productive forces, the relations in production, the social changes which occur in various strata of the population, and people's new spiritual demands present new, more complicated, and involved problems and tasks. Only the mastery of Marxist-Leninist theory, a deep knowledge of this theory, and the ability to connect it with life and revolutionary practice make it possible for these questions to be successfully confronted and solved in a creative way.

This is what our party has always done. It has never demanded ready-made solutions or applied the principles of Marxism-Leninism and the experience of the past in a mechanical way. This is what Comrade Enver Hoxha taught us. One of the greatest legacies which he has left us, one of his most valuable teachings is that every problem that arises -- whether economic, political, ideological, or cultural -- must be approached with revolutionary courage, a creative spirit, and in a dialectic way. He instructed and taught the party, Communists and cadres, to struggle constantly for things new and progressive and never to become the slaves of formulas, habits, styles, and methods which have become outmoded.

In this spirit the party must also confront the problems of the present and the future, conscious that life does not stand still but is in a continual process of development, transportation, and refinement. In this way our ideological work will mean that the revolutionary impetus and militant spirit of Communists and the working masses will uninterruptedly grow and that the creative thinking, technical and organizational abilities, knowledge and culture of vanguard working people, cadres, and specialists will be set in motion and used most effectively for the progress of the nation.

In fostering a spirit of initiative and revolutionary courage to find and put forward better solutions to problems that emerge and in replacing one form of organization with another kind -- more progressive, rational, and appropriate to present conditions -- the party must struggle both against indifference, which thrives upon the idea that special organs and the high party and state leadership think about such matters, and against a kind of fetishism that regards rules, regulations, and instructions as permanently valid. Considered theortically, these viewpoints are metaphysical and antidialectical, while from the political angle they lead to conservatism. In practice, if they take root, they create a social type who only applies rules mechanically, repeats and hands down things that are well-known, and brings nothing new into work, science, and culture.

The party cannot reconcile itself with such attitudes, characteristic of bureaucrats and backward people and those who stick to a certain working method and do not want to stretch themselves physically or mentally. The party demands that the administration, the party committees, the organs of the state and the economy, the scientific institutions, and the colleges should seethe with the thinking and creative imagination of the masses and that people should state their opinions frankly and without shyness, offering suggestions and proposals for smoother running work, producing scientific analyses and conclusions, engaging in discussions and symposia, all for the sake of socialist construction.

A very important field for the ideopolitical work of the party is activity to strengthen continually the moral and political unity of the people. The party and the broad working masses among us have embarked upon major tasks in developing industry, modernizing agriculture, developing culture, strengthening defense, and so on. We will do this relying on our own resources. And so let us unite people's efforts and energies into a single current, work together harmoniously and in a spirit of solidarity, in a lofty spirit of collectivism, always helping each other and standing by each other through good and ill, in friendship and true affection for each other. Only united can we overcome every difficulty and attain every goal. The strength of Albania lies in its people, and the strength of the people in their unity and togetherness around the party.

Our country is not a large one and our population is small. To cope with the dangers that threaten freedom and independence and our socialist life from enemies who are larger and more powerful, our people must always be strongly united, in oneness of thought and deed, rising above narrow and petty interests, vigilant, and always on guard. This unity of the people and their links of steel with the party have been and remain one of the pillars of people's power and socialism in Albania.

The unity of our people is a living and wonderful reality. Socialism has created all the necessary economic, political, ideological, and moral foundations for an unprecedented union of the working people. However, we can never imagine that there is no room for work to maintain and strengthen this unity. Not only do internal and external enemies attempt to threaten it, but it is also harmed by signs of bureaucratism, liberalism, sectarianism, inattention to the voice of the masses, the underestimation of the interests of various strata of the population, and every incorrect activity that arouses discontent among our people.

It is the task of the party to work tirelessly everywhere to reinforce the unity of the people, in the towns and the countryside, in every working collective down to every family. To this end, importance must be granted not only to major problems of a political and ideological character, but also to matters involving people's daily lives, such as the communal service sector, retail matters, education and health, transport, housing, employment, and so forth.

The time has come to enrich ever more fully the content of our socialist life with new elements drawn from the swift development of the country and from people's creative labor, to constantly refine relations in production to give vent to the inexhaustible physical and mental energies of the working people, to strive always for a higher level of civilization relying upon unshakable moral values and a broad and deep culture, to strengthen further the people's power and carry forward socialist democracy, and to strengthen Albania's international position.

In these efforts, true socialist patriotism finds its expression. Our patriotism in every era has been marked by a lofty spirit of sacrifice for the interests of the people and the nation, a democratic and progressive spirit, and a devoted service to the fatherland. History has made patrotism one of the basic characteristics distinguishing the Albanians, a characteristic which has given them the strength to confront the onslaughts of epochs and has increased their faith in the strength of the people and the future of the country.

At certain stages patriotism also acquires a certain content appropriate to the tasks standing before the nation. If during the War of National Liberation every patriot was called upon to fight with weapons for the liberation of the fatherland, or later to fight for major socioeconomic transformations, patriotism today is expressed by the contribution each person makes to promote production, skills, science, and culture, to strengthen defense, to affirm the new norms of behavior and of our way of life, and to reinforce the unity of the people.

The feeling of patriotism never ages or rusts. It has been and remains a great moving force in society, a sure shield not only against the direct threats of enemies toward the freedom and independence of the fatherland, but also against the ideological and cultural aggression of imperialism. It remains a powerful weapon with which to combat the poisonous ideas of cosmopolitanism and apoliticism which imperialism seeks to impose upon the peoples.

True socialist patriotism has nothing in common with bourgeois nationalism. It is closely tied to proletarian internationalism. Socialist man, freed from national oppression and social exploitation and believing with total conviction in communist ideals and the liberation of all mankind from the chains of capitalism, cannot but wish well to all other peoples and will support all those struggling for freedom and independence, social justice and democracy.

Throughout its existence our party has consistently maintained the principle of the class struggle and has waged this struggle on all fronts at every stage of socialist construction. It has started from the principle that the class struggle, with its particular features, continues uninterruptedly under socialism too. This struggle is conditioned by objective factors, such as remnants of the previous society, foreign bourgeois, and imperialist pressure, as well as the growth from these bases of elements that decay and transform themselves into antisocialists and enemies. Our party has considered and still considers the class struggle as a principal moving force in society. It leads forward the revolution and socialist construction, reinforces the unity of the people, cleanses people's consciousness, and tempers them as revolutionaries.

Our socialist life is in constant development. Many revolutionary transformations have taken place and are taking place in the social and material sphere, in the sphere of traditions, customs, tastes, behavior, and so forth. Things old, outmoded, and alien are disappearing and in their place, things new, progressive, and socialist are affirmed. Experience shows that this process does not always run smoothly and on the correct lines. There are more than a few people who are out of step with the whole of society and who hold onto old ways and such remnants of the past as still exist.

There are others who fall prey to the influences of the bourgeois-revisionist world. This is an important front of the ideological struggle, which requires determination, clear-sightedness, maturity, care, and tact, because it is a struggle primarily waged among ourselves, in the bosom of the people, and even among the ranks of the party.

Socialism, within a relatively short period, has created its own new man -- revolutionary, creative, determined to forge ahead, overcoming every hindrance and difficulty. But despite all the successes achieved in the communist education of people, we still come across a few negative phenomena against which everybody -- the party, the people's power, the mass organizations, and the whole of public opinion -- must wage a determined struggle.

Damage and usurpation of common property by irresponsible and delinquent people, breaches of discipline at work, and tendencies to give as little as possible to society and to take out as much as possible are totally irreconcilable with our socialist morality and ideology and the good traditions of our people.

These phenomena, if they are not curtailed and eliminated, transform themselves into a major evil, which erodes the economic basis of our society, the foundations of the people's power, and encourages harmful antisocialist tendencies. So we must fight them determinedly, consistently, and with severity.

Attitudes to work and property have been and will always remain a fundamental criterion for measuring the socialist consciousness and ideopolitical level of each individual. This has been and will be one of the main directions of the whole educative work of the party.

Let us not forget that petit bourgeois psychology has still not disappeared. This psychology is the principal source of alien manifestations in attitudes toward labor and property and of putting self-interest before that of society, and it took strong root among us. In contrast, the tasks set forth by the party for the development of the nation, which are constantly increasing, demand great and continual mobilization from the working people, alongside strict and comprehensive discipline at work and continual reinforcement of common property.

The struggle against alien manifestations in attitudes toward work and especially toward property is waged on a broad front and with varied educative, administrative, economic, and organizational measures. In particular, the party and all its instruments will pay close attention to those who damage common property and those irresponsible people who usurp the labor of others, laying their hands on socialist assets, no matter to how small an extent. In such people we see reflected a low ideopolitical level, lack of good behavior and culture, and the taint of petit bourgeois self-interest. Yet, with persistent efforts, there is every possibility of stopping these incidents in their tracks.

But it is a different matter in the case of those who quite consciously steal and damage common assets and those belonging to citizens, assets which have been created with so much labor and sacrifice. They are acting as class enemies. A strict attitude must be adopted against them, and the laws of the dictatorship of the proletariat must be enforced without concessions.

Along with persuasion, effective measures for the security of property and its good administration and for strict control on amounts of work and its rewards have assumed particular importance in the struggle to strengthen socialist attitudes toward labor and the protection of property. Above all, there must be an increase in the role of the influence of public opinion and the creation of a general atmosphere of opposition and nonacceptance where these phenomena are concerned.

Major upheavals have taken place in traditions, customs, behavior, patterns of life, family relations, attitudes toward women, and the struggle against religious prejudices and beliefs. United opinions on all these problems are gradually being formed, consolidated, and refined. But this process cannot be left to develop spontaneously, beyond the attention and activity of the party. Let us not forget that vestiges of the past in people's consciousness, especially in the above-mentioned fields, hold out very long, and that if they are not fought against, they revive and spread.

These phenomena weigh particularly upon women and young people, oppress their lives, and hamper their progress and emancipation. So women and young people must always be on the offensive against patriarchal and petit bourgeois concepts, vestiges of tribal society, and should defend and consolidate our new socialist norms.

The party has stressed and stresses again that we must be vigilant and never pause in our struggle against the decadent and degenerative influences of the bourgeois and revisionist world that surrounds us. In particular we must not accept, but determinedly reject, dissolute behavior and extravagant tastes, which make life empty, vain, and purposeless. We must remember that those who become the carriers of these influences have taken the wrong road, with harmful consequences for themselves and for society.

If we still encounter alien manifestations and antisocialist behavior, this is not only because there are still people who behave and act in an antisocialist way, but also because there are still Communists and working people who are not always vigilant and who show themselves to be liberal and indulgent toward them and do not respond energetically.

Our new man cannot and must not ever stand indifferent and passive when faced with a lack of order and discipline, with favoritism and back-scratching, with demands for privilege and unfair claims, with breaches of state laws and rules, and with behavior and attitudes that do not correspond to the norms of our morality.

Every attempt to justify these alien manifestations by pointing to difficulties of one kind and another means falling into fatalism. These phenomena do not stem from the nature of our society, and so our society has every possibility and all the resources necessary to curb and prevent them. Every lack of appreciation of these alien manifestations, every retreat before them, and every abatement of our struggle leads to their firmer hold and wider spread and increases the danger they pose to socialism.

All these important ideological problems tied to the forging of our new man are the constant object of the educative work of the party, which has the duty of instilling them into every milieu and every family, influencing every worker in town and country.

The modern era and the times through which we are passing require determined and militant revolutionary people. As a party and a state we have a great historic responsibility to defend and strengthen the freedom and independence of the fatherland, to build and enrich the new socialist life of Albania. The burdens we have shouldered are heavy, but we have carried them and will continue to do so relying upon our own strength, though surrounded by an external environment that is not entirely friendly.

Today one calls militant someone who, with full dedication, fights for the party line and in defense of the interests of the state and people, who contributes actively to the progress of the economy and culture of the nation. One calls militant someone who, wherever he lives and works, fights for progress, someone who is progressive at work, in his family life, and in society. One calls militant someone who rejects those old mentalities that pull you back, and someone who is irrevocably opposed to the influences of the bourgeois-revisionist world.

It is this militant, fighting, and revolutionary spirit that our enemies strive to sap and extinguish. They hope for the bourgeois liberalization of our life, of the party and the people's power, of the class war, of ideology, and of our policies. Liberalism is one of the chief weapons of the strategy of imperialism and revisionism to undermine and overthrow socialism.

The task of the party is not only to make Communists, cadres, and all the working people aware of the great danger posed by liberalism, but to strive to strengthen their militant spirit against every passive and indifferent attitude toward alien manifestations and to turn them into indomitable warriors against every ideological pressure that comes from abroad.

It is not only manifesations of liberalism, but narrow sectarian judgments and attitudes that damage the cause of socialism. Sectarianism is harmful as a concept, since it holds fast to things gone by; it does not see changes and transformations that are taking place, changes in material conditions and in social conditions, especially in the spiritual life of society. Unable to understand the dialectic of life, it falls into conservatism and dogmatism.

The roots of sectarianism are closely tied to the markedly petit bourgeois aspects of our country in the not so distant past. And it is well known that in contrast to the true proletarian, the petit bourgeois has tendencies toward sectarian judgments and activities. It does not consider the ideological struggle as persistent educative and prophylactic labor, a complex process involving people's reeducation and their attraction to the cause of socialism. Sectarian viewpoints create coldness and dissatisfaction among people -- strains and burdens alien to Marxist-Leninist principles that damage the ties between the people and the party. Comrade Enver Hoxha instructed that "the party should fight on both flanks, both against opportunism and sectarianism." He considered this struggle very important for the successful construction of socialism and the maintenance of the unity and cohesion of our people and nation.

Signs of sectarianism and of a petit bourgeois spirit usually feed off the growing pains and contradictions which arise in the course of our inexorable march forward on the road of socialism. Sectarian attitudes prevent you from seeing in their true reality, with revolutionary optimism, those tremendous and dynamic developments that are taking place every day in our life, seeing them in their true magnificence and beauty, but also with the growing pains that accompany them. The sectarian and the petit bourgeois are disgusted by some negative signs still present in our life. With their complaints and laments, they rush to hasty attitudes and actions and surrender when faced by difficulties. But it is our duty to confront all the problems that life presents and all its problems and contradictions. Let us confront them with courage and unshakable faith, because they can be solved and overcome. Let us confront them, not only defending ourselves, but attacking and counterattacking with our revolutionary militancy, enlightened by our Marxist-Leninist theory and relying powerfully upon the great superiorities and vitalities of our socialist order.

An important task for the ideological activity of the party is the struggle against bureaucratism. Our party has the great merit of having correctly assessed the danger of bureaucratism and having waged a determined struggle against every sign of it. It has not allowed our apparatus to become bureaucratized and rusty, to become afflicted with sclerosis and lose touch with the masses, as has happened in former socialist countries. The great plan for revolutionizing the entire life of the country has served to reinforce the ties of the party and the people's power with the masses, and to preserve and strengthen the democratic and popular character of our social order.

Yet the struggle against bureaucratism is a long one, because bureaucratism has deep roots. Bureaucratism ties itself to the existence of the state and its administration, to the cultural level of the masses, and to old traditions that are not easily done away with, and so forth. It must always be borne in mind that particular aspects of bureaucratism emerge and become perilous at certain stages and phases of the development of society.

The party has always pointed out that the initiative and revolutionary zeal of the masses, which has always been on the increase, and the swift pace of the development of the country must be matched by better organization and management in the work of the organs and organizations of the party, the state, and the economy. This is essential for the efficient and punctual solution of problems that life presents.

The fault of the bureaucrat is that he is not easily weaned from old habits and remains a slave to methods and styles which have been outmoded and practices whose value is exhausted. This narrow thinking prevents him from understanding new situations as they arise, coping with them fast, and acting with enterprise. Besides, the bureaucrat keeps out of trouble, has no desire for the peace to be disturbed and for him to be burdened with work. This is the cause of those bureaucratic delays that are noticeable on not a few occasions in the work of various administrative offices and the cause of the lack of initiative and courage to solve problems.

Bureaucratic thinking and practice not only threaten the democratic and popular character of our organs, apparatus, and administration, but also harm the people who work in them. They cultivate a desk-bound mentality and bigheadedness, a sense of superiority over other people that stems from the idea that your post, grade, and rank in the personnel system [nomenklature] gives you authority and respect. But the party has always fought to ensure that our administrative workers are marked by their modesty, considering themselves always the servants of the people and not in command over them, always realizing that they work not to put themselves into the limelight, but to serve the party and the people. True authority is that gained through work, knowledge, culture, and service to the nation.

Our cadres are political persons who live among the masses, know their problems well, and listen to what they say. This is not a personal question, but a large party issue that concerns the implementation of the line of the masses and is also the main way through which bureaucratism can be fought and defeated. On no account can the Marxist-Leninist principle of the decisive role of the masses be transformed into a generalized abstract slogan. One must talk to the masses in a sociable and friendly fashion, both when in large companies and in smaller circles -- and not only in setting forth duties and demanding their performance, but also when talking about politics and culture, large and small problems, and when answering the various questions that people have. Such communication is very valuable because it makes it possible to get to know the state of affairs among the masses and their thoughts and desires.

One of the principal characteristics of our party, ever since the time of the National Liberation War, has been its communication with the people, its consultations with them, and its reliance upon the knowledge of the masses about everything. When Comrade Enver Hoxha delivered his historic speech at the Moscow conference in November 1960, in which he openly unmasked Soviet revisionism and declared it to the world, he had standing behind him not only Communists, but the entire Albanian people. The party had discussed the question of Khrushchevite treachery beforehand with workers, peasants, and intellectuals. It had consulted the thinking of the masses about everything, about all the activity of the Soviet revisionists, the theses they were advancing, and the anti-Marxist viewpoints they were expressing. The people unreservedly supported the party and Comrade Enver.

This is what the party did in other instances too, whenever there was a difficulty or something missing, whenever a sacrifice was called for, or when night somehow had to be turned to day. We have always borne this tradition in mind and carried it on. People should always be talked to openly, whether about their complaints or about difficulties and shortcomings. We have no reason to avoid problems that emerge, of whatever kind they may be. They can be confronted if their causes are explained and the road to their solution pointed out.

It must be properly understood that the better informed the masses are about situations and difficulties that emerge and the tasks that lie ahead of them, the more conscious they become of the appropriate role they must play. Regular, systematic, and frank information about everything that happens in the nation's life increases the creative initiative and the active participation of the masses in the government of the country and expands our socialist democracy. This is an important duty for all the organs of the party and the state and for the mass organizations, who must perform their duties better through the use of the many means that exist. Every bureaucratic hesitation and tendency toward secretive work must be courageously uprooted.

2. Education, Culture, and Science -- Powerful Weapons in the Education of the People and the Development of the Nation [subhead]

Now let us dwell on some problems of education, culture, and science. As in other areas of our life, great successes have been attained in these fields too.

Already, a complete educational system has been created and consolidated, with all the necessary levels and categories of schools. The party directive on the revolutionizing of schools, placing them on a Marxist-Leninist ideological foundation, linking learning to productive labor and to physical and military education, and refining the whole complex of the forms and methods of education and teaching, has now, in general, been carried out with success. This process has been reflected and crystallized in all the educational structures, in teaching syllabi and curriculums, in school textbooks, in teaching methods, and so forth. For years 7-year schooling has been compulsory for all the country's children. Secondary schooling is assuming an increasingly mass character. Our country trains in its own schools all the high-level specialists it requires in all disciplines.

In the future, too, the expansion of education at all levels will continue. In particular, secondary education will experience faster expansion and development. The need has now arisen for a more harmonious development of the different kinds of secondary education, especially in the countryside, to avoid excessive specialization which, were it to continue, would endanger the assured supply of native-born specialists and cadres for country regions and would adversely affect the overcoming of differences in cultural development between the town and the countryside. So, alongside agricultural secondary schools, we may further extend the network of non-specialist secondary schools.

The development of our socialist production now involves every job requiring special qualifications, and this will increasingly be the case in the future. The need for qualified technical and professional management for production is always increasing. So ways must be studied to provide technical knowledge with the necessary theoretical background, but also, simultaneously, advanced applied skills.

In recent years a scheme for training and post university specialization has been created, both full time and on a day-release basis. Assuming the shape of regular schooling, this new scheme will be developed and consolidated. Here work of a special quality is required. It would be superfluous and wasteful to repeat knowledge already acquired at college. Graduate students require the latest knowledge in order to acquaint themselves with the latest achievements of science and technology, new methods and techniques, and up-to-date literature.

Alongside the extension and completion of the education system, the most acute and urgent task facing our schools is improving the quality of the whole learning and educational process, raising it to the level demanded by the times. This task was forcefully set out at the eighth party congress and has begun to be put into action. This task is dictated by the situation and conditions under which we live, by the development prospects of the country, and by progress in the economy, culture, technology, and science.

Now the development of education has made it possible for greater stress to be placed upon quality. Progress in this direction has been made and there is plenty of good experience. Nonetheless, our schools must give our pupils and students up-to-date knowledge, well mastered and consolidated, and must give them a healthy theoretical profile and, at the same time, the habit of applied work. This can be achieved by cultivating in them a lasting passion for reading and study; by developing their independent and creative thinking, their spirit of inquiry, their capacity for scientific reasoning, their logical thinking, their lively practical spirit, and their technical and scientific intuition; and by combating mechanical and passive learning.

High quality cannot be attained without increasing demands upon pupils and teachers and without instituting organized and rigorous control over the acquisition of knowledge. It cannot be attained without combating tendencies among some pupils and students to find easy ways out or with liberal concessions on the part of some teachers and educators. Our schools cannot be subjected to pressures and various interventions in search of undeserved passing grades. In this instance, the whole of healthy public opinion, especially the party and mass organizations, must help the schools without fail.

More work must be done to discover, encourage, and train new talents, in whom society has a major interest. In school as in life, leveling out individuality is harmful. By their nature people are not the same, do not proceed at the same pace, and have different talents and interests. There is no reason why schools should equalize them all. Their task is to work on a scientific and educational basis, with a graded system of projects and tasks, often even individually tailored, to pave the way for young talents and to cultivate them.

In the spirit of the party's orientation, our schools are working toward an intensive scientific-pedagogical modernization of teaching. They are experimenting successfully with an up-to-date mathematics program. They are aiming to improve the teaching of the mother tongue on the basis of linguistic principles and modern teaching methods, as well as on the literary standards of the modern Albanian language. Changes of this sort are also being put through in the teaching of other school subjects. But there are still discrepancies and instances of backwardness here. For example, the level of teaching of foreign languages, to which considerable amounts of time are devoted in the timetables and curriculums, is unsatisfactory. The Ministry of Education and Culture must study this problem closely and take appropriate measures to overcome this state of affairs as quickly as possible.

The modern age, and especially the rapid development of education, sets new, very important tasks before the great army of teachers and educators. The increasing amounts of information and knowledge which must be transmitted to pupils and students demand from teachers a broader and more substantial cultural, scientific, and educational background which must be constantly expanded. Teachers and educators should distinguish themselves through their desire for study in order to broaden their professional and cultural horizons and to keep themselves abreast of the achievements and thinking of the age. This is necessary not merely for them as individuals, but for the entire work of the school. This is also the road of the struggle against low expectations and contentment with little, against acquiescence in mediocrity and incompetence, and against a spirit of sloth and lassitude. So the qualification of teachers and educators is a matter of great importance which cannot be left to occur spontaneously. First of all, there is a need to form a sound public opinion that there is no progress without training. There is also the need for a broad and efficient organization, to include the whole teaching and educational profession in training. Training should be continual, well-programmed, and enforced with strict discipline. However, this problem remains a weak point in the work of our educational bodies. There is a great deal of formalism in the training of our teachers and educators and spasmodic work in campaigns.

The general improvement in the quality of the teaching and educative process is closely tied to its management at all levels. A vigorous struggle must be waged against hasty and improvised answers to school problems, and especially against the mechanical extension of administrative ways and means into school management, where there is a predominance of bureaucratic instructions and demands, and unnecessary and superfluous meetings, which rob teachers of a great deal of useful time. It must be fully realized that these things do great harm to the work of a school and are quite out of character with the teaching and educative process and with the lively and creative nature of the work of teachers and educators.

In struggling to improve the quality of schools and raise the level of education, the party will, as always, pay particular attention to problems of the communist education of the young generation, who study at the schools through which all the future working people of our society pass. Schools and teachers must cope better and in a more professional way with the many and complex problems of education, with the aim of shaping and producing educated, cultured, and civilized people -- people with scientific and technical knowledge, and with a sound revolutionary and civic profile. This task is well and properly performed when fruitful cooperation is created between school, family, and society. We all have the duty of caring for the young generation, and so we must all have unified opinions about their education.

Literature and art play major and irreplaceable roles in the education of our people, in their ideological and cultural upbringing, and in enriching and enhancing their spiritual world. In the past these have taken strides forward, become deeply involved with the masses, and spread their influence widely. Artistic creativity has been healthy. It has been guided by communist ideals, distinguished for its lofty party spirit, and pervaded by democratic and popular principles. We have had a series of valuable works, that have made fresh contributions to the growth and progress of our socialist culture.

Artistic productivity and cultural activities have spread widely. There is no aspect or genre of art which is not cultivated. The number of creative people who live and work in every district of the country, including the smallest communities, has increased substantially under the care of the party and the people's power. The necessary conditions for fruitful work have been created for these people.

What is now demanded more strongly from literature and art is increased quality, greater profundity of content, and refinement of artistic form. The cultural level of the masses and their tasks have risen greatly. They are demanding ever better works from their writers and artists, works that powerfully affect their thoughts and feelings.

It is well known that only art of high quality can find a place in people's hearts, convey its ideas to the masses, and be transformed into a weapon for the construction of a new life. Only such an art can express the true spirit and aspirations of the people and can become the vehicle of the high ideals of the age.

The party has rightly considered writers and artists its active helpers. This title can only be deserved and this mission fulfilled by militant, beautiful, and powerful works. But in some creative circles there exists a tendency to be satisfied merely with a high quantity of output and artistic activity and with an average level of creativity. Of course, widespread artistic activity must inevitably include average, and even poor, works. But the trouble comes when you acquiesce in this and, even more, when the value of these works is artificially exaggerated. This leads to apathy in the level of artistic values and creative individuality, to low expectations and debased tastes.

The party does not and cannot in any way leave the development of artistic creativity to spontaneity. The party helps the creative artist not to be content with mediocrity and unsatisfactory quality, to strive to uncover the reasons for these faults, and to struggle to overcome them. The main factor here is an increase in demands upon oneself and, at the same time, a tangible increase in the demands of creative circles, publishing houses and institutions, and the public opinion of readers upon creative artists. These increased expectations must be accompanied by broader activity for a deeper ideological substance and a Marxist-Leninist aesthetic among working people in literature and art, a deeper knowledge of life on their part, and better professional training for them.

High quality is attained by creative people who have broad interests and great enthusiasms. What must be apparent and expressed in each work is philosophical thought and a message. Without this, works become ordinary, and form and style cannot redeem them.

Great art is created by those artists who fight for great ideals and who know and understand the aspirations and wishes of the people, their feelings, character, and virtues. The life of the people can be correctly and realistically reflected by one who is wholly involved in it, who takes active part in daily struggles, and who plays his part as a militant activist in society, not by someone who watches from the sidelines.

It is up to publishing houses, editorial boards and organs of the press, cultural and artistic institutions, the radio and television and cinema, and so forth to exert a major influence to improve the quality of literature and the arts. They must be more selective in their work so as to offer the reader and viewer truly worthy creations. The requirements laid at the door of artistic creativity concern these institutions and bodies to no lesser extent. What kind of creativity we will appreciate, enjoy, and encourage depends to a large degree on their activity, on their deep professional and principled work, and especially on their criticism. And so let them not submit to any kind of pressure: let them put the interest of art before sentimentalism and other things which threaten it.

A heavy burden lies on the shoulders of the League of Writers and Artists, which must concentrate more on the analysis of artistic phenomena, publicize ideoartistic problems that emerge, and work to create a healthy atmosphere for discussion and creative debate.

Problems of art, literature, and culture in general require particular attention and a greater commitment on the part of party committees and state bodies. The sphere of culture has become much broader and very complex. Today our country has a wide network of cultural institutions covering all districts, with theaters and cinemas, houses and centers of culture, museums and art galleries, different musical ensembles, and so forth, which carry out extensive and varied cultural, artistic, and educational activity.

Interest among the masses in this activity is continually rising. Therefore, party committees, state organs, and the directors of these institutions themselves must evaluate their activity correctly and competently organize and direct it. They must think more and work more for their activity to assume a mass character, and they must work toward quality and efficiency and toward a total commitment from their creative and performing participants, both professional and amateur. Every district now has the opportunity to stimulate its own cultural life, in towns and villages, just as there is also the possibility for artistic and cultural events to move around more among the districts. However, we must guard ourselves from the mania for grandiose events and the desire for large ensembles, choruses, orchestras, sensational tours, and from tendencies toward lavish expenditure on scenery and costumes and so forth. We now have plenty of opportunities to organize fine and varied cultural activities everywhere, with reasonable expenditures and use of resources.

Particular care must also be shown for the physical strengthening of our people, especially the young generation. Existing opportunities for raising the general level of physical culture everywhere, in schools, military units, workplaces, and villages, must be better exploited. This will also form a better and more healthy basis for the development of sports and for improving the quality of physical activity. It is a current task for the party committees and state organs to devote proper attention to the organization and management of the physical culture and sports movement, in both its quality and its mass character, and to strive to create a healthy atmosphere for the development and growth of sports, eliminating every symptom of a harmful fan mentality.

It is the duty of the Ministry of Education and Culture to organize and manage all these matters with professional thinking and clear planning. The ministry should work more to train and qualify workers in the cultural field and for the progress and efficiency of cultural-artistic institutions.

The press, radio, and television are powerful weapons in the hands of the party for propagandizing its line and for the education and mobilization of working people. As such, they are also faced with major duties. They are required to provide the masses with as wide and full a range as possible of daily information on political, economic, cultural, domestic, and foreign matters. Newspapers, magazines, the radio, and television must explain and demonstrate better the directives and orientations of the party. As tribunes of the voice of the masses, let them broadly reflect the masses' thinking and experience.

Despite the achievements noted, it is necessary for these organs to struggle more persistently against a superficial treatment of problems and phenomena, against empty phrases and a lack of enterprise in depicting events. Editors and journalists should make a greater effort to raise their ideological and professional levels and increase the demands they make upon themselves and their colleagues.

Our new science has become a powerful support to the entire economic and social development of the country. Through the care of the party, a large number of study and research institutions have been built, covering almost all branches of the economy, technology, and culture. The greatest success has been that we now solve all the problems set before the development of the country through our own scientific resources. This testifies to the creation of a new asset added to our fatherland, to the great progress people have achieved within an extremely short time, and to the broad horizons the socialist order opens.

Under the present conditions of socialist construction and of the development of the technical-scientific revolution -- when the agenda includes the issues of increasing the social productivity of labor, dynamically developing productive forces, and increasing economic efficiency -- a great task before our people is to master the natural and technical sciences, learn well the objective laws of economic development and the achievements of contemporary technical development, and work to put these at the service of the country.

Today society needs people to master their profession in depth, to be enthusiastic about the special field they have chosen, and to be entirely capable in their area of activity. It is the task of the party, of our schools, of the propaganda media, and of the whole weight of scientific and public opinion correctly and properly to appreciate and increase the authority of the applied sciences and their contribution to the construction of the country.

The problem is to create the necessary conditions and to encourage young people to aspire to become machine builders, planners and constructors of great projects, geologists, and plant and livestock breeders. These fields and specializations, which must become predominant, must also be given the appropriate advantages and priorities, the necessary moral and material support, and strong stimulation and support.

We would like to have real theoretical studies and to make new discoveries in the natural sciences and contemporary technology. But for us the basic issue is the study, acquisition, and application of the many discoveries which have been made in the world. The application of scientific achievements in the field of expertise and technology is not a simple mechanical process of transfer, but is truly creative work. It requires imagination, strong logic, and professional ability. It is no simple matter, but a truly scientific task, to design and build hydroelectric power stations, railroads, and ports, to open mines and enrich and smelt minerals, to increase the reproductive capacities of plants and livestock, to construct and apply new technologies, and to devise and implement efficient ways of organizing and managing the economy. The aim of our efforts is that technical and technological solutions should rely upon the technical and material base we possess, our own raw materials, and as few imports as possible.

The problems which emerge in different fields of the economy are complicated and interdependent. This makes it necessary that scientific research itself must be more complex and increasingly of a more interdisciplinary character, combining the different fields and methods of the technical and natural sciences and economics. The deeper the specialization and the broader the scientific research, the more necessary becomes cooperation and coordination between the different branches of science. Today scientific results are no longer the result of the work of individual people, however brilliant and dedicated they may be, but the work of whole scientific collectives.

In our time science is extremely closely tied to production and has transformed itself into a direct force of production. This means that the value of every science is measured by its usefulness to production in increasing its efficiency, easing human labor, and raising its productivity. Just as efficiency, discipline, and work with high productivity is demanded everywhere, so are these things required all the more from workers in science.

Our socialist reality, the new socialist relationships that have been created, and the great prospects now set before the country open wide fields for work and study in the social sciences too. They play an increasing role in communist education and in solving problems of ideas that society comes across. But the time has come for work of a publicizing and synthesizing nature -- work in which important scientific conclusions are prominent and in which mere avoiding the description, still noticed in many studies, is avoided.

Claims made for such sciences as history, linguistics, ethnography, and folklore are even greater, since these fields have been cultivated over a long period and have a rich tradition. They must illuminate even better the history of the people and their patriotic and revolutionary traditions; they defend and affirm our national identity and bear witness to the people's struggle for freedom, independence, culture, and social progress.

The precedence given today to the technical and natural sciences does not in any way reduce the importance of or eliminate the part played by the social sciences, particularly economics, philosophy, sociology, jurisprudence, teacher training, and so forth, which are closely tied to important contemporary problems of socialist construction and ideological struggle. These sciences must be ever more closely tied to contemporary reality, because this is also the battlefield of our people. They need interpretations of contemporary reality. They seek the help of science in solving new questions that life produces. Our society needs experienced advanced students who know how to observe the phenomena of life, to grasp the changes it brings and problems as they emerge. The party expects students of the social sciences to produce works of high ideoscientific standard, who will spread the original experience of the revolution and socialist construction in Albania and develop and carry forward her Marxist-Leninist thinking.

Increased demands placed on scientific work and its achievements ensure lively and fruitful activity. Science and its development require true scientific debate as well as a struggle against complacency, sloth, and monopolizing tendencies, against the formalism which makes ends in themselves out of projects for academic degrees, and against hesitation in attracting young people to scientific activity and bringing them forward.

Institutions of research and study should become more advanced centers of technical and scientific thinking, bodies of consultation for the broad mass of specialists in production, and disseminators of the knowledge of the age. It is their duty to instigate and encourage creative and innovative thinking, establishing and directing as wide a circle of collaborators as possible.

Science, because of the dimensions it has assumed and the role it plays, also requires better qualified management from the bodies entrusted with this task. More initiative and thought on the orientation and development of the sciences must be demanded of the Academy of Sciences, just as better planning, a clearer definition of priorities, and more effective organization and coordination of manpower and resources is required of the Committee for Science and Technology. The university and the colleges should involve themselves more seriously in theoretical studies concerning teaching and applied studies in the service of production. The ministries responsible for the many institutes and centers of science should guide these institutes correctly in their subjects of study and take care not to transform them into administrative apparatus, but to appreciate them and consider them a powerful support for the smooth management of their sector's work.

IV. [Roman four] The International Situation and the Foreign Policy of the People's Socialist Republic of Albania [subhead]

Comrade delegates, the construction of socialism in Albania cannot be achieved in detachment from modern world developments, from events, and from the struggles being waged today in the world. So, the party and our people closely follow developing situations, draw the appropriate conclusions, and define their attitudes and responses. Today's world developments confirm once again the deep scientific analyses of Comrade Enver about our present era and its basic contradictions, about the character of imperialism and its strategy, about worldwide ideological struggle, about the general crisis of capitalism, about the worldwide revolutionary movement, and about modern revisionism.

The present stage of development demonstrates his conclusions that imperialism, as a system, is in decline and collapse, that all its contradictions have become more severe, and that revolution stands on the agenda as the only road to liberation from capitalist oppression and the imperialist yoke.

These teachings by Comrade Enver constitute a great ideological treasure for our party, a powerful aid to direct ourselves correctly toward the complicated situations in the world, to defend to the last the principled standpoints that answer to the demands of the defense of the freedom and independence of our fatherland and our socialist victories, and to crown with success our internationalist duty to always stand shoulder to shoulder with the world proletariat and all forces that fight for social and national liberation and for the progress of mankind.

1. Evils and Dangers Come to the Peoples From the Capitalist System and Imperialist Policy [subhead]

Today we live in a complicated and turbulent world, a world full of major conflicts and problems where threats to the freedom and independence of the peoples have increased, where capitalist-imperialist oppression and exploitation have been extended and intensified, where the danger of war has increased even further.

The source of all the evil from which today's world suffers and of all the dangers that threaten the peoples is the capitalist system and the policy of imperialism, the aggressive course of the two superpowers. Eroded by many contradictions, sapped by class struggles and revolutionary struggles for liberation, and in no state to meet the demands of the age, imperialism seeks a way out through war, through oppression, plunder, intimidation, and terror. Its great thirst for hegemony and domination over the entire world and its efforts to extract maximum profits through the oppression and exploitation of the people represent the main factor leading to the destabilization of international relations, to the outbreak of various conflicts, and to increasing insecurity.

These tendencies have become much stronger as a result of the dire economic crisis from which the capitalist world has suffered for a long time. The whole bourgeois and revisionist economic system is driving down a dead-end street, and there is no way of rescuing it and putting it on its feet again. Temporary improvements are not a sign of a cure, but symptoms of its chronic sickness. Measures taken to resolve the crisis have not changed and cannot change the spontaneous course of capitalist economic processes. Consumption, especially of a parasitic kind, exceeds production. Budget deficits, reductions in investments, and rising debts continue. Rising prices neutralize and surpass wage increases for the working people. Prices, credit rates, and currency rates fluctuate to such an extent that now no control can stabilize them.

Another factor in the destabilization of the world economy and in its crises is the policy of enclosed economic blocs and superprotectionism, as pursued by the major industrialized countries. The situation has become particularly severe for those countries which have integrated themselves politically and economically with the great imperialist powers and have opened their doors to multinational companies and other neocolonialist organizations. International bodies exist, such as the IMF and the World Development Bank and others of this kind, that in practice dictate to many countries, down to the smallest details, the lines of the economic and financial policy that they should follow, the levels of production and consumption that must be set, which branches of the economy they must develop, and which they must sacrifice.

Now the major countries integrated into such supranational organizations as the EEC and CEMA cannot escape the rule and diktat of the most powerful states. The economic independence of these countries continues to be increasingly limited, making the oppression of the masses on the part of national monopolies and so-called multinational industries even more savage.

The economic crisis has greatly exacerbated the conflict between the major imperialist powers and groups, the United States of America, Japan, the EEC, and CEMA. A harsh struggle is being waged among them, involving protectionist measures, banking interests, currency rates, markets, and so forth.

Debts have now become one of the most acute and alarming questions in international life. Now they constitute a principal factor in the convulsions in economic and political relations in the modern world. Many states are on the brink of bankruptcy, and there are no prospects in sight for a solution to the dire situation.

Debts today are a direct consequence of neocolonialism and the total domination of multinational companies. They have been born of the latest strategy of imperialism to hold in its claws countries that were liberated from the colonial yoke and to subject to its domination all those that had previously escaped.

But now the burden of debts weighs not only upon these countries, but on the creditors themselves, who see the markets for the sale of their goods shrinking and a large proportion of their industry, created wholly for export, standing idle and so creating unforeseen social and political problems.

The failure of the economic strategy for the development of imperialism, the political and structural crises connected to it, and the internal social conflicts and the exacerbation of international relations they caused, -- all this constitute a new, much more aggressive, and more irresponsible position in relation to the peoples of the world, to their freedom and independence, and to peace and security in general. Never before have the cult of military power and the philosophy of aggression been transformed into an all-encompassing ideology, into a concrete policy in foreign relations, as they have been in the major modern imperialist states. Never before has mankind been threatened with extermination on such a scale as it is today by the nuclear war with which the superpowers are threatening the world.

If we examine the domestic and foreign policies of the United States of America and the Soviet Union today, we see that they are characterized by an emphasis on military aspects and on the creation of a political and ideological concept according to which domestic problems can be solved by militarization, and problems of international relations with the aid of military violence. This concept, or rather strategy, has emerged more clearly and become more dominant in the United States since the coming to power of Reagan, who is the representative of the great armaments industries, and in the Soviet Union with the coming of the new leadership, which represents the viewpoint and special interests of the Soviet military caste. The truth is that in the United States and the Soviet Union, the economy, politics, and ideology are now completely subordinated to plans for general war and local wars.

American imperialism constitutes the largest and most political, economic, and military power of our times; the main protector of the bourgeois system; and the center of international reaction. It is the most savage enemy of the revolution, of socialism, and of communism. The violation of the sovereign rights of peoples, unbridled aggression and brutality, the trampling underfoot of standards and principles of international law, and indifference to public opinion constitute the basic features of its foreign policy. During the Reagan administration, its adventurism has known no bounds.

The unprecedented increase of the military budget in recent years, the modernization of the arsenal of strategic nuclear weapons, the strengthening of NATO and other economic-military blocs, the deployment of missiles in Western Europe, the expansion of its bases and military presence in all oceans and continents, and the aim to extend this presence even to space -- all these are expressions of an increasingly militaristic policy and its efforts to impose American hegemony throughout the world.

The expansion of military bases has been accompanied by the export of capital, debts of billions, high interest rates, and the elevation of the dollar almost to the position of an exclusive currency for international transactions. American economic relations with foreign countries have been transformed in practice into a means for the despoliation and exploitation of the people and of different sovereign countries to achieve their economic and political enslavement.

The United States of America is pursuing a policy which aims openly at increasing international tension and especially at inciting regional conflicts between various countries. The United States seeks to profit from the fact that the combatant countries and those under threat turn to the United States for weapons, credit, and political support and in the end become dependent.

The military aggression against Grenada, the open intervention of marines in the Middle East, the organization of coups d'etat and terrorist gangs in different countries, the economic blockades against and military interventions in Libya, Nicaragua, and elsewhere -- all bear witness to the great danger posed by American policy to peace and to the freedom of the people.

This policy of the United States of America can only lead to the worsening of conflict with its partners, too. Upon these latter there is now not only a demand for cooperation in the realization of American expansionist plans, but for greater subjection to the new political, economic, and military strategy of Washington.

The hegemonistic course of the Soviet social-imperialists has also become more decided. Soviet foreign policy is assuming an ever more markedly aggressive and bellicose direction, as expressed by the strengthening of the military machine and the use of force to fulfill its own expansionist ambitions. Like the American imperialists, the Soviet social-imperialists, have emerged openly with an international platform that embodies their ambitions and pretensions to dominance and hegemony on a world scale.

Reagan's policy helps them justify their militarization of the economy to domestic public opinion and, at the same time, allows them to impose upon their allies the expansion of the Soviet military presence in their countries. The Soviet social-imperialists, who aim at the domination of the world, cannot accept any disruption of equilibrium with America, all the more since the Americans, too, have always aimed at the achievement of military superiority over everybody else. Therefore, the Soviet Union has also intensively expanded its war industries, to the detriment of civilian industries and the living standard of the people. Moreover, Soviet policy has pursued military occupation abroad, as in Afghanistan, a harbinger of more expansion in this area. The Soviet Union has also become a major dealer in arms, in competition with the United States, which it resembles to a hair in its incitement of conflicts and in creating a threatening atmosphere in the world.

Soviet-American confrontation today constitutes one of the strongest expressions of imperialist conflict. It is transforming the world into a battlefield in which each of the superpowers strives with all the might it possesses to secure political hegemony and economic domination on every continent. There is not a country which is not now to some extent threatened by this confrontation; there is no people whose freedom, independence, and sovereignty it does not imperil. Few are those lines of modern international relations which are not marked by signs of this confrontation and do not suffer from its consequences. It is not only the cause of the majority of the tensions and conflicts that exist in the world today, but also the principal factor that endangers peace and general security.

The peoples cannot and must not allow their countries to be transformed either into the objects of this rivalry or into the battlefields of the conflicts between the two superpowers.

The interest of the freedom and independence of the people, the elimination of war and the ensuring of peace, and the realization of revolutionary democratic ideals demand from everybody continual, clear-cut, and determined opposition to imperialism, the exposure of the aggressive policies of the superpowers and their plans for enslavement.

The experience of history has shown, and the practice of our era confirms, that both a retreat in the face of imperialist pressure and the illusion of the possibility of correcting their policies have brought great harm to the freedom and sovereignty of the people and to international security.

2. The Contradictions of Capitalist Society Lead Straight to Revolution and Socialism [subhead]

Today's capitalism, like that of earlier times, is in no position to cure any of its ills. The capitalist method of production and distribution, the thirst for maximal profits, and the ideology of exploiting the working man to the limit have led to the further degradation of bourgeois society and its political and social institutions and to an even greater decline in human relations.

The technical-scientific revolution which characterizes the present day and which has led to a great increase in production and material goods, not only exerts no influence on reconciling the internal contradictions of capitalism, but deepens and exacerbates them further. New, serious, degrading, and degenerative phenomena have emerged, leading to the alienation of man, his nature, and his activity.

There has always been permanent unemployment in capitalist countries to some degree or other. But today it embraces a considerable proportion of the workforce and has reached a figure comparable only with the periods of the worst economic crises. Now there are tens and hundreds of thousands of people who are born and who die without knowing what work is. Millions of others live on charity and on the crumbs that remain after the exploitation of their comrades.

A whole new social stratum has been created from the so-called dregs of society, who join the world of crime, drug addicts, the crippled, and prostitution, etc. This is the spawn of the capitalist system, and its growing dimensions promote the further degeneration of society.

Petty crime has spread to include every social activity in its net. Mafia-type gangsterism has now penetrated deeply into the financial and state apparatus, into political parties and every institution that has the fate of the country in its hands. Organized terror has become an additional mechanism to oppress and plunder people, to remove them from the daily struggle for democratic rights, and to sidetrack their legitimate revulsion at the capitalist system.

The bourgeoisie is purposely spreading a spirit of fatalism toward these phenomena and of impotence to face up to and defeat them. The bourgeoisie seeks to create a mood of fear and insecurity among the working masses, to direct their hatred and their struggle not against the social system which is responsible for them, but against its victims. These ills are not a consequence of civilization, as the bourgeoisie pretend, but a weapon used by the bourgeoisie to obstruct and undermine civilization.

The gulf between the working class and the bourgeoisie has deepened and is constantly growing ever deeper, and the contradictions between labor and capital have been sharper. Oppression and capitalist exploitation have expanded to envelop the overwhelming majority of the population. The attempts of the bourgeoisie to cast the entire burden of the economic crisis upon the working people have deepened the despair of working people. All these things have led to an increase in the revolt of the working masses in all capitalist countries. There has been an increase in economic strikes and political demonstrations on the part of the oppressed classes and strata of society, who protest against unemployment, the rising cost of living, and inflation and who demand the preservation of jobs and the standard of living they have attained and an increase in the social resources for education, health, pensions, and so forth.

In this class battle, the working class is matured and forged. Political consciousness and its revolutionary organization grows stronger. In the course of this struggle, the working class recognizes even more clearly who its enemies are, who is blocking and sabotaging its efforts, and who is fragmenting and dividing it. It knows even better the strike-breaking role of bourgeois parties among the working class, of social democracy, of the revisionists and other opportunists, and it sees how the trade unions controlled by these parties seek to lull them to sleep, to blunt their rebellion, and to extinguish their revolutionary zeal.

But the efforts of the bourgeoisie and their lackeys are not able to keep the working class and the other working masses eternally subjected, enchained, and deceived. The objective laws of the development of human society cannot be changed by either violence or propaganda. History has entrusted the working class with the mission of becoming the gravedigger of capitalism, of leading the revolution, and of building a new socialist society. All the contradictions of capitalist society lead toward the revolution and socialism. Only the revolution can resolve these contradictions. It alone can rescue the working class and all mankind from the capitalist system of oppression and exploitation, violence and terror, war and extermination.

During its development human society has waged a major struggle to pass from the stage of savagery and fatalism to that of civilization and conscious direction, from that of violence and oppression to that of freedom and democracy. Capitalism, which has retained none of the progressive characteristics that marked its initial stages, seeks to turn back human society.

We are today witnesses to a general attack on democratic rights and individual freedoms, a true bourgeois ideological and propaganda offensive to destroy good traditions, progressive culture, and the whole of man's spiritual world, and to turn men into simple production robots.

Terrorism has become widespread in the world and is now a very disturbing phenomenon. Everybody talks about it, but in particular American imperialism and those who chant in harmony with it are talking and shouting the most.

Terrorism inspires fear, panic, insecurity, and fatalism in the broad masses of ordinary people. It has also inspired hatred and extreme revulsion. The question that must be asked is who incites and who is responsible for modern terrorism and against whom should the anger and revulsion of the peoples be directed.

As a social phenomenon, terrorism is born of the crisis and degeneration of bourgeois society and the decadence and moral collapse of an increasingly large number of people who live in misery and despair. As a political concept and activity, terrorism is the outcome of the blind despair and complete disillusion of particular individuals, who lose their sense of direction when faced with massive capitalist oppression and imperialist violence.

In the period of the serious crisis of the modern capitalist system and the increasing revolt of the masses, the bourgeoisie has an interest in identifying terrorism with the proletarian revolutionary struggle in order to create the impression that patriots, revolutionaries, and true communists, who have risen against the capitalist system, are terrorists and anarchists, people who murder and rob.

Marxist-Leninists, the true revolutionaries and communists, have never supported and never will support desperate acts of terrorism, anarchist activities, and adventures of this type, irrespective of the ideal for which they are supposedly carried out, the cloak under which they hide, or the color they are painted. National, democratic, or proletarian revolution cannot be reached by the road of terrorism. Revolutionaries cannot reconcile themselves with terrorism in theory or practice and reject with disgust the accusations laid at their door by the bourgeoisie.

The so-called war against terrorism declared by imperialism is a mask to hide the evil face of state terrorism raised to an ideology and official policy. The aim of the bourgeoisie and reaction is clear. In branding as terrorism every revolutionary struggle against capitalist oppression and exploitation and every war of liberation against foreign occupation, they wish to declare every armed uprising to gain freedom and independence as unjustifiable and to grant themselves the right to use arms to suppress and crush every effort to defend national sovereignty.

The people cannot and will not accept the state terrorism of imperialism or subjugate themselves to it, just as they have never given in to the counterrevolutionary violence of the bourgeoisie. The right to rise up against oppression and social injustice, the right to take up arms for the freedom and independence of the homeland is inalienable. No ideology, policy, trick, or deceit of imperialism can suppress this right of the peoples.

The bourgeoisie, while inciting terrorism, strives to conceal the inhuman nature of its system by inaugurating a noisy campaign over so-called human rights and declaring itself the champion and defender of these rights. But of what kind of human rights can the bourgeoisie speak when at the very foundations of the social relations of the capitalist order lies the most savage and inhuman exploitation of the overwhelming majority of the population by a minority of millionaires and billionaires? Can the individual have rights in a country which has no national freedom or is dominated by colonialism or racial oppression?

Imperialism and the bourgeoisie are not interested in these rights. What interests them is how to turn problems of democracy and of the freedom of man within society into a banner in their struggle against socialism and communism, into a policy of meddling in the internal affairs of free nations so that they can be subjected and enslaved. Just as they seek to transform and exploit the struggle against terrorism for their own ends, so they manipulate the so-called struggle for the defense of human rights for these same ends.

Historically, it is the revolution that has raised and held high the flag of democratic freedoms and civic rights. The French Revolution of 1789 was the first to declare to the world that it was fighting for the freedom of the individual, and it produced its famous slogan, "Liberty, Equality, Fraternity." This slogan inspired a whole series of democratic revolutions in Europe and throughout the world during the 19th century. The bourgeoisie soon separated itself from the struggle, and it was the proletariat who became the most consistent and determined in defense of the democratic freedoms and rights of man. One of the first decrees of the October Revolution and of Lenin was precisely the declaration of the rights of the workers and the exploited people. In our case, too, the first document to be approved by the first meeting of the Antifascist Council for National Liberation at Berat in October 1944 was the declaration on civic rights.

The proletariat, as the most advanced class in capitalist society, is the only class able to carry through the struggle for freedom and democratic rights. By abolishing private ownership of the means of production, ending the exploitation of man by man, and declaring publicly the principle of proletarian internationalism as the principle for the unity of the workers and the peoples, the proletarian revolution has laid the foundations of a true guarantee of democratic freedoms for individuals and for the collective. This has been proved in the practice of our country, too, where the revolution and socialism have brought the people true freedom and democracy, where the rights of the working man are guaranteed by law and in practice and his all-round emancipation assured.

The monopolist bourgeoisie, which trampled upon human rights, was helped in its struggle against the socialist system and against communist ideology by Khruschevite revisionism, which came to power after Stalin's death. By slandering Stalin and discrediting the socialist system, Khruschev and his followers enabled the bourgeoisie to use the flag of democratic freedoms as a weapon against socialism. However, it has been proved that anticommunism has never been a fertile ideology. It has not led to the extension of democracy and the emancipation of the people, but to their restriction and to fascism.

3. The Rights of the Peoples To Be Free and Independent Are Inalienable [subhead]

In our age, neocolonialist oppression and exploitation in undeveloped countries on the part of the superpowers and other developed capitalist countries have assumed unprecedented proportions.

As never before, the export of foreign monopoly capital into these zones, from which fabulous profits are extracted, has increased. The debt system has strangled many countries and has increased their dependency and the despoliation they suffer. If in the mid-fifties the developing countries were indebted to the sum of $6 billion, today the sum is more than a trillion. The sum rises as time passes, just as do the dangerous consequences these debts involve.

The economic relations imposed between developing and industrialized countries are entirely unequal. The great capitalist monopolies impose low prices for raw materials, which are usually produced by undeveloped countries, and extremely high prices for the industrial and consumer goods that are sold back. This policy aims to maintain these countries as producers of raw materials and as favorable markets for selling. The international financial and monetary system and the domination of the dollar and other so-called hard currencies, imposed and protected by world capital, greatly assist this plunder.

The capitalist monopolies and the major world financial centers have dug their claws deep into many undeveloped countries and have become not merely the real masters of their economies, but also arbiters of their political life. It is they who dictate and decide who should and should not be in power, they who overthrow and install governments, and they who provoke domestic and foreign conflicts. They use every means necessary to keep up their profits -- from corruption, violence, and the murder or purchase of political leaders to armed intervention when the need arises.

Economic despoliation and political interference in the internal affairs of these countries are also accompanied by savage ideological and cultural aggression aimed at the destruction of national identity, the crushing of any sense of human dignity, the suppression of centuries-old longings for freedom and independence, and the shattering of people's faith in their own capacities for development and progress.

The situation of the developing countries becomes ever more serious because it is there that the rivalry and the competition of the two superpowers and the other imperialist powers for zones of influence, markets, strategic positions, and military bases is most sharply felt. The many conflicts in these regions are a direct consequence of this rivalry.

The general offensive of world capitalism has led to a new exacerbation of the basic conflict of our age, that between oppressed, dependent peoples and imperialism. This conflict has found its clearest expression in the resistance and ever-increasing struggle of the people against neocolonialist domination. Today the strategy of hegemony and world domination employed by the superpowers and other stages with imperialist aspirations is opposed by the strenuous efforts of various nations and peoples to defend their freedom and independence and their national wealth, to be sovereign in their own countries, to throw off the foreign yoke, and to decide their own roads of development for themselves.

A witness to this is the broad spread and growth of the democratic liberation movements of the people, which have enveloped whole areas and regions of the world. The growing discontent and protests of the masses in such countries as Haiti, the Philippines, El Salvador, and elsewhere have led to popular revolt against reactionary regimes. The struggle of the Afghan people to drive out the Soviet invaders and overthrow the puppet regime has grown and expanded. The people of the Western Sahara have been fighting for their rights for a long time. In spite of the most exceptionally difficult conditions, the Palestinian people have determinedly pursued their armed struggle to return to their fatherland, stolen by Israel.

The neocolonial domination of the superpowers and other imperialist states in Africa becomes ever more precarious. The revolt of the African peoples against imperialist oppression and plunder and against internal reactionary forces has assumed new dimensions The people of Burkina Faso have won an important victory on the road to independence. One part of the liberation war of the African peoples is the anti-racist and anti-imperialist struggle of the Azanian and Namibian peoples. The anti-racist demonstrations and bloody clashes with the army and police of the South African white minority -- the massive protests and armed combat of these peoples -- represent a visible growth in the anti-imperialist and revolutionary movement for democratic and national rights.

Despite savage terror, the struggle of Chilean patriots and democrats against the fascist dictatorship has not paused for a single moment. The struggle in Central America has shown new developments. The Nicaraguan people, who overthrew Somoza's fascist dictatorship, now successfully confront the undeclared warfare of American imperialism and its Somozist mercenaries.

Various forces which aspire to free and independent development have been set in motion in many countries of South America, in Africa, and in Asia against the system of neocolonialist relationships that the imperialist powers have imposed upon them and that have brought them to the brink of bankruptcy. They are struggling to change international economic relations and to free themselves from neocolonialist despoliation, from the shackles of debt, from unequal exchange, from the dictation and impositions of the great industrialized powers. They seek to rescue themselves from this dire situation and to smash the economic and political fetters with which the great powers are attempting to keep them enchained.

Imperialists, capitalists, revisionists, and others are striving to divert this struggle onto a wrong path and to blunt the sharpness of its weapons. They attempt to spread the illusion that the situation of the people can be put right and that problems can be solved by cooperation and agreements with the oppressors and exploiters, or they create the defeatist spirit of thinking that developing peoples supposedly are not in a position to progress independently and that their dependency upon imperialism is inevitable.

But the people cannot be deceived by the propaganda and maneuvers of imperialism, nor can they be cowed by its threats. They are aware that only through struggle, courage, and sacrifice will they escape the neocolonialist and imperialist yoke. Imperialism still seems powerful. It has weapons, money, and powerful means for oppression and domination. But it is eroded and rotten with its contradictions and incurable wounds. The destinies of the people and of mankind do not rest in its hands. The liberation struggle of the people is an objective process that no force in the world can prevent. It represents one of the most basic tendencies in modern world development and one of its prime moving forces.

The right of the people to be free and independent is undeniable. It was born together with mankind and human society and has been an invariable constant in every epoch of history. In every age, reactionary forces have striven to deny the people this right, to subjugate and dominate them. Great empires were created, whole continents were transformed into colonies. Different peoples remained enslaved for centuries on end, but the spirit of freedom and independence was never quenched. It was the empires and colonies that collapsed and vanished.

There is nothing for which the people have paid so much as freedom and independence. No human sacrifice, however great it may have been, has ever been spared to be rid of foreign invaders and rulers. Nobody can extinguish the aspirations of the people for freedom and independence, and we believe with total conviction in their fulfillment.

4. The Struggle Against Bourgeois Ideology and Modern Revisionism Is the Struggle for the Victory and Defense of the Revolution and of Marxism-Leninism [subhead]

A harsh, large-scale ideological struggle is being waged between bourgeois ideology and opportunism, on one hand, and Marxism-Leninism, on the other hand, over the present state of the world, over the processes which are developing and the problems which are emerging, with all their contradictions and possible solutions. The deeper the general crisis of capitalism plunges, the more the revolutionary and liberation movement of the people grows and the harsher this struggle becomes. Its class kernel remains as it has been. Capitalism strives to justify and preserve its own existence, to quench the revolution, and to destroy socialism. Marxism-Leninism struggles to pave the way for the revolution, to overthrow the bourgeoisie and imperialism, and to build the new socialist society.

As the ideology of a society in decline and collapse, which has lost sight of historical perspective and every progressive ideal, bourgeois ideology has become even more aggressive and has emphasized even more strongly its characteristics as the ideology that is an apology for capitalist exploitation and anticommunism.

It has made every effort to beautify capitalist society, to conceal its sores, and to justify oppression and exploitation. Its fundamental characteristics are the refusal to see reality, the absence of objectivity, the hoodwinking of the masses, and the manipulation of new social phenomena. Bourgeois ideology attempts to create the belief that capitalist society is irreplaceable, that its methods of production are the best and most just, that bourgeois power is the most perfect form of democracy, and that bourgeois civilization is the highest. It considers the major ills of bourgeois society -- its economic, political, social, and spiritual crises, the unemployment and insecure lives of millions of people, racism and terrorism -- as the consequence not of capitalism's rottenness and decline, but of its development, not as inevitable accompaniments, but as temporary phenomena which the system itself can repair.

Bourgeois ideologists exalt to the heavens a kind of man who is perverted and alienated by capitalism, whose aim in life is the earning of money, who is guided in his every action by egotism and individualism, who supplants honesty with hypocrisy, humanism with cynicism.

In international relations the apologists of capitalism try to represent the imperialist oppression and exploitation of entire continents as the liberation of the people and their economic and cultural emancipation. They attempt to represent freedom and independence, independent economic development, and the sovereignty of the people as anachronistic things, obstacles to progress and civilization, and so forth. For them, "progress," "modernity," and "objective necessity" are the dependency of states and peoples upon large financial capital, monopolies, multinational companies, and so forth.

Apologies for capitalism and the so-called free world are inseparable from anticommunism. There is a major campaign being waged these days to denigrate and attack Marxism-Leninism and socialism. Under the pretext that modern capitalism is no longer that of the time of Marx and Lenin -- since it has undergone major economic, social, and political changes -- bourgeois ideologists pretend that Marxist theory is out of date and no longer applicable, that the socialist revolution of the proletariat has become unnecessary thanks to the progressive evolution of bourgeois society, and that the modern techncial-scientific revolution is creating a new supracapitalist and suprasocialist society. They purposely identify Marxism with modern revisionism and attempt to depict the crises and defeats of this latter as the crises and defeats of Marxism-Leninism and socialism.

Anticommunism has now been raised to a sophisticated ideology and strategy, with definite aims and objectives and elaborate methods and tactics. It seeks to put pressure upon communists to liberalize their thinking and attitudes and tries to shake their faith in their communist ideals, to distract them from the class struggle and the dictatorship of the proletariat, to force them to lower their ideological vigilance, give up their political and ideological principles, and desert the norms of socialist society and communist ethics.

In its ideological struggle against revolutionary, democratic, and liberation movements, anticommunism attempts to cast doubt upon the future, to sow a spirit of pessimism and fatalism, and to create the sense that communists are fighting for a lost and impossible cause. It aims to create the belief that social revolutions and liberation struggles will lead to world conflagrations.

But bourgeois ideology in our days is manifest not only in rightist forms, as an open apology for capitalism and anticommunism, but also in so-called "leftist" and "critical forms," in the form of opportunism. Historically, opportunism has been and remains a manifestation of bourgeois ideology in the workers' revolutionary movement, a weapon of the bourgeoisie to undermine and sabotage it and to divert the revolt of the masses onto paths innocuous to bourgeois rule. Its essence is the advocacy of class harmony and the reconciliation of the exploited with their exploiters and oppressed peoples with their oppressors.

The most dangerous form of opportunism today is modern revisionism, which still misuses Marxist phrases and which is in power in a number of countries that call themselves socialist.

Our Party of Labor and Comrade Enver have waged a great and prolonged struggle against modern revisionism, have analyzed in depth the causes of its origin and spread, and have analyzed the counterrevolutionary class essence of the revisionist line and its practice, its process of degeneration, and its rifts.

They have argued and proved that modern revisionism is an offspring of the counterrevolutionary strategy of imperialism and have exposed and denounced the aim of modern revisionism, which is to rescue capitalism from overthrow by the revolution and to undermine socialism wherever it is built. The party and Comrade Enver have torn the mask away from the different currents of revisionism, Yugoslav, Soviet, Chinese, and Western European, and have shown that the "real," "self-managing," "democratic," "human," "pluralist" socialism, and so forth, which they preach, is nothing other than modern capitalist society reformed.

The struggle of the AWP against modern revisionism in all its variants has been and remains a struggle of historic importance. This struggle rescued the freedom and independence of the fatherland and our great socialist victories and was a contribution of great value to the defense of Marxism-Leninism and the revolutionary cause of the proletariat and the peoples of the world.

Life is increasingly demonstrating the correctness of the struggle of our party against revisionism, the justice of its analyses, conclusions, and forecasts. Today everybody can see what Comrade Enver Hoxha was the first to see and declare to the world, that the revisionists in power would bring about the degeneration of socialism and would restore capitalism, that other revisionists would slip into the social-democratic mire, and that modern revisionism would be split into currents and groupings and turn itself into a basket of crabs.

The modern Soviet Union has already lost any socialist or revolutionary features. A series of processes are taking root there, and a series of reforms have been enacted to reconstruct the economy and manage it on a capitalist basis. The campaign now announced by Gorbachev in the Soviet Union against the backwardness and stagnation of the economy, against bureaucracy in its management, against parasitism and corruption among management cadres, against embezzlement and illicit gains is a demagogic campaign aiming to deceive and lull the Soviet people to sleep. These evils are in no way the consequence of earlier subjective mistakes, as is claimed, but are the offspring of the capitalist system as restored there. They cannot be cured either by decrees or reforms.

Already the Soviet Union has completed its transformation of the state, party, educational, and cultural superstructure, which it has adapted to the new capitalist economic base and has put entirely in the service of the bourgeoisie in power.

Values and moral standards inspired by capitalist motives have now taken the upper hand and dominate life in the Soviet Union. Bourgeois egotism and individualism have increased; the upper strata have developed into an artistocracy; and feelings of indifference and apoliticism are widespread. Running after an easy life and chance profits has become commonplace.

One of the essential aspects of Soviet revisionism is the total domination of an ideology that elevates the cult of militarism, expansionism, and superpower hegemony, an ideology which tramples on the freedom and sovereignty of the people and endangers peace and international security.

Revisionist China, similarly, is following the capitalist road. Chinese sermons and practices about a pluralist socialism from the economic, political, ideological, and social viewpoints, the revival of the private sector, the opening of doors to foreign capital and multinational companies -- all testify to the total degeneration of Chinese revisionism.

We are witnesses to the total bankruptcy of Yugoslav revisionism as an ideology and in practice. The so-called self-management system, of which Comrade Enver Hoxha made a profound and all-round analysis in his distinguished work, "Yugoslav Self-Management -- A Capitalist Theory and Practice," has failed. Now even the Yugoslavs themselves are criticizing it from all sides, and many blame it for the crises and all the evils which have overtaken Yugoslavia. Its nationalities policy led to the deepening of inequalities between the peoples of the Yugoslav federation, the reawakening of old national quarrels and hostilities, and the creation of conditions to pave the way to the domination of the largest nationality.

Despite all its preaching and theorizing about nonalignment, with either the East or the West, Yugosalvia has tied itself even more tightly to both. Its dependency on foreign capital and its heavy burden of debts have forced it to accept the diktat of the imperialist great powers.

That other revisionist current, that of Eurocommunism, decayed very quickly. It is today hard to find any more or less essential distinction between so-called Eurocommunism and European social democracy. The revisionist parties in these countries have given up the idea of taking power, even by the "peaceful" parliamentary road. They openly declare, like the Italian Communist Party, that they see their role and mission in the contribution they must make to the smooth functioning of the modern bourgeois state and the improvement of bourgeois society, in efforts to extract it from its crises and difficulties, and so forth. Whether they take part directly in bourgeois governments or remain in the role of legal opposition, the revisionist parties have now become an inseparable part of the bourgeois superstructure. A typical part has been played by the French Communist Party, whose participation in the government was required by the bourgeois monopolists so that they, together with the socialists, could administer the crisis, something which could not fail to lead, as it did, to its discredit and a marked decline in its influence upon the masses.

The inclusion of Western revisionist parties in bourgeois structures and the transformation of those revisionists in power into direct representatives of the new bourgeoisie could not but deepen their divisions and splits along nationalist and bourgeois-chauvinist lines. Already there can be no question of talking about a single front of modern revisionists on an international scale or about one or more leading centers. Now the revisionists are in no state even to mount a formal show of unity. They try to focus attention more on matters that distinguish or divide them than on what brings them together and unites them.

Modern revisionism, in all its forms, like bourgeois ideology as a whole, finds itself in serious difficulties that are expressions of the crisis and decadence of the modern world capitalist and imperialist system. But this does not in the least mean that the struggle against it is now over and behind us. We must bear in mind that revisionism still exerts an influence over the broad masses of working people and continues to confuse and poison many people's minds. Its practices are still going on. It carries out extensive political and ideological activity to undermine and sabotage socialism. What is worse, views identifying revisionism with Marxism-Leninism and socialism are still widespread, and there are still people who nurture illusions and think this can lead to improvements.

In these circumstances the struggle against modern revisionism, to expose its theories and practices and to free the masses from its poisonous influence, remains a primary and most important duty for true communists and revolutionaries. Without fighting revisionism and opportunism, we cannot pave the way for the revolution and the liberation of the people nor build and defend socialism.

The AWP of Albania will continue its principled stand in the future, as it has up until now, against all tendencies of modern revisionism, for the defense of Marxism-Leninism and the cause of the revolution and of socialism. It will not spare its efforts and strength to carry this struggle through until the end.

"There is no power that can divert our party from this glorious and thoroughly internationalist road of honor," Comrade Enver Hoxha said. "There is no power that can alarm or defeat it. Our party can never reconcile itself with any form of opportunism or any kind of deviation from or distortion of Marxism-Leninism."

The very fury of its enemies in rejecting Marxism-Leninism, in distorting it and declaring it a failure, overtaken by life and invalid for the modern age, constitutes the most convincing testimony and proof of Marxism-Leninism's constant life and vitality. It is embodied in the scientific doctrine of Marx, Engels, Lenin, and Stalin, in the theoretical works of Comrade Enver Hoxha, in the reality of socialist Albania, in the values of the revolution, the socialist construction of the Soviet Union before the Khruschevites took power, in the Chinese revolution and other revolutions led by communists but which were later betrayed, and in the revolutionary experience of all true Marxist-Leninist parties and forces. It is an essential and permanent duty of consistent communists and revolutionaries to defend Marxism-Leninism from anticommunist attacks and from revisionist distortions and to struggle for its creative application and enrichment under new conditions.

It is understandable that in their struggle to further the movement the forces of revolution should encounter many obstacles and difficulties. Besides bourgeois violence, which in certain circumstances adopts extremely harsh and bloody forms, they are subjected to multiform and continual ideological and political pressure from the bourgeoisie and revisionists, as well as from pseudorevolutionary and petit bourgeois leftism, which aims to split, isolate, degrade, and liquidate Marxist-Leninist parties.

But this situation will not intimidate them or make them desert the struggle. Faithfully adhering to Marxist-Leninist teachings, and applying a revolutionary line and strategy and skillful tactics appropriate to the conditions of the country and the world situation, our sister Marxist-Leninist parties have achieved noticeable successes in their efforts to extend and deepen their links with the masses and increase their influence among them, to affirm themselves in political life, and to broaden the horizons of their revolutionary work.

In the common struggle, healthy links of internationalist solidarity and fraternal cooperation have been forged among the Marxist-Leninist parties and forces. The AWP has given and continues to give the greatest attention and care to relations with the sister parties. It has done and will do everything to strengthen fraternal and revolutionary unity among them. It has rigorously adhered to the principles of total independence and equality, solidarity, support, mutual aid, and internationalist cooperation.

The solidarity and sympathy that they hold for our party and people, the support and backing which the sister Marxist-Leninist parties, freedom-loving peoples, democratic and progressive individuals, and the many friends and well-wishers of socialist Albania give us, inspire and encourage us to advance courageously on the road of socialism and to defend the freedom and independence of the fatherland.

The whole line, the standpoints, and the struggle of the AWP are characterized by the consistent application of proletarian internationalism. The party implemented this line in the struggle for the victory of the revolution and applies it now in the socialist construction of Albania, in the defense of Marxism-Leninism, and in its principled standpoints and struggle, courageous and undaunted before imperialism and social-imperialism, modern revisionism, and international reaction. It applies this line in the decisive support the party has given to revolutionary struggles, to freedom-loving peoples and Marxist-Leninist forces throughout the world. Peoples fighting for freedom and independence, revolutionary, liberation, democratic, and antifascist forces, will always have the support of the AWP and socialist Albania and the sympathy and total solidarity of the Albanian people.

5. The Foreign Policy of the People's Socialist Republic of Albania -- Bearer of Revolutionary and Freedom-Loving Ideals [subhead]

The foreign policy of the party and our state and their standpoints and activities in the international arena are guided by the lofty and noble aims of our people and party for the preservation and consolidation of the freedom and independence of the fatherland, the ensuring of peaceful conditions for the socialist construction of the country, and the fulfillment of internationalist duties.

The strengthening of the international position of socialist Albania, the respect that it enjoys among the progressive peoples and nations of the world, and the increase in the number of its foreign friends and well-wishers testify to the success of this policy.

Albania's voice and attitudes on the problems, great and small, that preoccupy the whole of mankind today have always been correct and principled and have responded to the loftiest aspirations of the people to live in freedom and independence, in peace and general security. Our party and people have been on the side of those who oppose the aggressive and war-mongering policy of imperialism, against national oppression and capitalist exploitation, against colonialism and racism. They have condemned and opposed the efforts of imperialist powers and reactionary forces to interfere in the internal affairs of others, to violate and threaten the sovereign rights that belong to the people, to despoil their national wealth, and to oppress and enslave them.

Our foreign policy was born in our great struggle for the liberation of our enslaved fatherland, and its content has been deepened in the struggle and efforts to maintain the victories that have been won. This being the case, it is the bearer of freedom-loving ideals and aspirations for mutual respect in international relations, for sincere cooperation, beyond any diktat, tutelage, or imposition, among different countries.

As a socialist country, freed from the ideologies and mentalities of the feudal-bourgeois societies of the past, as a people who for centuries were enslaved, denied nationhood, torn apart, and partitioned by foreigners, we Albanians do not suffer from national hatred and jealousies, from expansionist and hegemonistic pretensions, so common not only among the great powers, but among many others; we are free of the feelings of superiority that still corrupt the mentalities of leading circles in many other countries. We want the good of all peoples and have declared to the world that no harm will come to our neighbors or to anyone else from our country. We have shown this not only in words, but in deeds.

Albania does not participate in any military bloc or any alliance which directly or indirectly could engage it in any hostile policy toward one or more countries; it does not participate in any agreement that could damage the interest of anybody else, in even the smallest degree. There is not a foreign soldier, base, or installation in our country. No facilities have been granted for the stationing, resting, or transit of foreign armed forces in our country, either in peace or in war. We have no economic, moral, or any other kind of obligation to anyone that could oblige us to make concessions to the detriment of our own interests and the security of others.

We inherited such a consistent and principled foreign policy from Comrade Enver Hoxha. He taught us to maintain such determined revolutionary standpoints, and he instructed us to follow such a safe path in international relations. Our party will follow his teachings with courage and wisdom. It will always fight steadfastly to defend the freedom and independence of the fatherland and will work tirelessly to enhance the reputation of socialist Albania in the world.

We are aware that the world around us is not as we would want it. It is clear to us that the defusing of conflicts and enmities in international relations, the elimination of threats to the freedom, independence, and sovereignty of peoples, and averting the dangers of war do not depend on our will.

But we must do our duty and must never abandon the struggle. As Communists, we view mankind's future with optimism. We are convinced that the future belongs to freedom and not to oppression, to democracy and not to reaction, to progress and not obscurantism, to socialism and not to capitalism. This optimism and faith, which history and Marxism-Leninism gives us, makes us strong and determined to defend our victories and to stand always alongside freedom-loving and peace-loving peoples.

We know who our friends are, but we also know our enemies. We know well that there are those who do not like our socialist system and who are thinking of how to undermine Albania and turn it back to the past. We also know that there are some who deny the present historical reality, which cannot be turned back, and still dream and hope of seeing our country placed under the tutelage of foreigners and harnessed to their chariots. Many intrigues, conspiracies, and acts of perfidy and treachery have been committed against our country in the years since the liberation, but none of them has defeated it or broken it. And this has come about not only because our enemies have run up against the steel-like unity of our people and their determination to have nobody above them but themselves, but also because the party and Enver Hoxha have taught them never to yield to pressures and never to be deceived by blandishments. This has been and remains our stand.

While fighting to strengthen and consolidate the positions of our socialist fatherland abroad, our country has taken an active part in present-day international life, has expressed its views frankly and without hesitation on the political problems of the time, and has maintained correct and principled positions on the issues that preoccupy mankind. We have never considered it enough to be all right ourselves and unconcerned about what happens to others. We are aware that the international problems of today, whether local, regional, or continental, affect to a greater or lesser extent all the countries and peoples of our planet, which has now become very small. We are similarly aware that the problems of peace and war are not the prerogatives of just one or two states, however big or powerful, and cannot be solved by them alone.

Proceeding from these positions, we have always opposed the attempts of the great powers, especially the superpowers, to monopolize, arbitrate, and decide world affairs.

The peoples of the world cannot accept the ideology or policy of neoglobalism of the United States of America, which seeks to create American interests even where they do not exist and, in the name of these interests, to restrict the sovereign rights of other countries and justify its imperialist interventions. Neither can they accept the concept of special responsibilities that the Soviets attribute to themselves in order to justify their interventions and expansion.

There is a great deal of commotion about talks and contacts between the two superpowers. They are publicized as the only hope of avoiding war and saving peace. Of course, nobody can deny them the right to meet and talk about their own affairs. But what cannot be accepted or tolerated is that they should discuss the affairs of others and take decisions behind their backs. Institutionalizing meetings of the heads of the superpowers in a forum that can make decisions that are binding on others is very dangerous. In practice, this means denying the right of other countries to act freely and in a sovereign manner on their own domestic and foreign affairs. And practice, not only present-day practice, but that throughout the epoch of imperialism, has shown that the agreements made in the name of averting wars and strengthening peace, establishing order, limiting arms, and so forth have all resulted in cynical deals to divide territories and spheres of influence and to operate jointly against liberation and revolutionary movements. Ententes and detentes can change their uniforms and names, but their aims remain the same.

The arms race, especially that of the superpowers with its feverish increase in atomic and chemical weapons, continues to cause great concern to the whole of mankind. The danger posed to life on our planet by these weapons is truly great. This threat might one day become realized in a true catastrophe, for the mechanisms of this weaponry can be set in motion not only consciously, but by human error or by some failure in the technology on which the weaponry increasingly relies. Typical examples are the accidents that occurred to the American Challenger spacecraft and the Soviet atomic power station at Chernobyl.

It is this situation that has made demands for the prohibition and outlawing of nuclear weapons ever more numerous and insistent in all parts of the world. But the trouble is, in our opinion, that much hope is still placed in the will and reasonableness of the superpowers, and there is still much faith in their declarations that they too supposedly wish for disarmament and are thinking about it. Reality must be looked straight in the eye. The truth is that all these talks, meetings, conferences, proposals, and counterproposals about disarmament have never produced any results. This is demonstrated by the failure of the Reagan-Gorbachev meeting in Iceland. The arms race between the superpowers spreads ever further; apart from the land and the sea, it is now even invading the heavens.

Reproaches and advice will not make the superpowers back down. Only open exposure and condemnation of the imperialist strategy of atomic war can yield results: only this can stop them hurling the world into catastrophe.

The People's Socialist Republic of Albania is for putting an end to the armaments race once and for all, for the total banning of atomic tests and weapons, for the dismantling and removal of American and Soviet missile bases from foreign countries. It is opposed to the militarization of space and all other projects that increase the dangers of atomic war and other wars.

In any country, security is a task that cannot be neglected. But it cannot be achieved either through vacuous meetings such as the Helsinki Conference, by sheltering under the atomic umbrellas of the superpowers, by turning your national territory into bases for the superpowers' missiles, or by filling it with foreign soldiers and weapons. These roads lead, and indeed have already led, to the expansion of the arms race and further subjugation to the superpowers.

Alliances and friendships between states are, of course, matters for the states concerned to decide, just as collective security cannot be denied to those who want it. But what is unacceptable is when these alliances and friendships are directed against others and when commitments entered upon within them threaten the interests and security of other countries.

It is for this reason that we oppose NATO and the Warsaw Pact, which have no sort of defensive character, but are political and military instruments of the United States and the Soviet Union for the realization of their hegemonistic and expansionist aims and are weapons for pressure and aggression against others.

The dissolution of these alliances is the fundamental condition for the elimination of divisions and splits in Europe and for the reduction of tension not only on our continent, but throughout the world. Their liquidation will create precisely that spirit of trust and understanding which is lacking in order to establish fruitful and equal collaboration among the peoples of Europe.

It has been shown in practice that blocs lead to an increasing subjection of their members to their leaders. The illusion that joining a bloc strengthens defense and ensures independence costs a country dearly. In the name of coordinating policy and strategy, many countries have accepted major restrictions that have greatly limited their sovereignty on many essential issues, have prevented their independent action in the international arena, and have put them in the position of being unable to freely decide their own destiny. Therefore, the dissolution of the blocs is connected with the present and future freedom and independence of the member countries and the preservation of their national sovereignty and their own voice in international life.

In its international relations, our socialist state has always expressed itself in favor of the maintenance and strengthening of mutually beneficial cooperation with other peoples. At the same time, it has consistently pursued the policy of opposing imperialism, especially American imperialism and Soviet social-imperialism and their aggressive and war-mongering policy of oppression and exploitation. There will never be any conciliation between socialist Albania and the two superpowers. This stand results from our irreconcilable opposition to their expansionist and hegemonistic policy, from the danger they pose to the freedom and independence of our country and freedom-loving peoples.

The People's Socialist Republic of Albania has been and is for good relations with other states, based on the well-known principles of equality, respect for sovereignty, non-interference in internal affairs, and mutual benefit. This is demonstrated by our steadily expanding relations with many countries in the political field; in the fields of commercial, cultural, and technical-scientific exchanges; and elsewhere.

In our relations with other countries we do not lay down discriminatory or demeaning conditions. We do not seek to impose our way of life or our way of thinking on others. But neither can we allow others to impose theirs on us. This, we think, is a universal principle for equal, sincere, and fruitful relations between free and independent states.

Respect for the internal social order and the international status freely chosen by different states and nations is a matter which brooks no discussion. Peaceful co-existence is the only option for countries with different social systems. Just as revolution cannot be exported, neither can counterrevolution.

Our party and country have always been against every imposition of inequality, discrimination, and diktat on the part of large states in international relations. They are in favor of the total democratization of these relations. States are not equal in territory, population, economic potential, and so forth. But this does not grant special privileges to the great and powerful in international relations or dominant positions above others. Let us start from the principle that all international cooperation between different countries, in whatever field, must lead not to restrictions on independence and sovereignty, but to contributions to economic, social, and cultural development, to the strengthening of mutual friendship, and to the maintenance of peace in the world.

The People's Socialist Republic of Albania is in favor of the development of trade and economic cooperation with different countries of the world. It considers this not only a means for reciprocal economic benefit, but also a valuable contribution to the normal development of international relations. For this, however, it is necessary that all countries should carry out trade exchanges solely on the basis of mutual benefit and should struggle to ensure that they are not used as a means to impose political concepts and standpoints unacceptable to the other partner.

The free and equal development of international trade is today hampered by antique systems of exchange, which were imposed by the great and rich powers and involve the worst possible plunder of the poor and weak, the monopolization of world markets by large capital, and a whole series of rules and discriminatory practices against small and developing countries. The existence of closed markets, the enforcement of protectionist measures, the erection of tariff and other barriers against certain countries, the manipulation of prices and markets through artificially raising the prices of finished goods, machinery, and so forth, and the speculative lowering of raw material prices have become negative factors preventing the normal, balanced, and equal development of international trade.

Being in favor of the normal, free development of international trade, we are in favor of the removal of these obstacles. We never tie trade to the acceptance of credits, the granting of concessions, or permission for the activities of foreign companies or economic and financial institutions in our country. This has been clearly made law by the Constitution of the People's Socialist Republic of Albania.

Cultural and technical-scientific exchanges by our country with other countries have grown noticeably and have broadened substantially. There is every possibility of their increasing even more in the future. The Albanian people have always held the progressive culture of other peoples in respect and have never suffered from narrow nationalist prejudices concerning their achievements in the fields of science, literature, and artistic creativity. They have assimilated and put to use all the good and progressive things that have been created and are being created in the world. We are therefore in favor of mutually acceptable cultural exchanges with all the countries with which we have relations. It is our view that these exchanges help us to know each other better, help to strengthen friendship and establish mutual understanding.

The development of relations with neighboring countries forms one of the priorities of the foreign policy of the People's Socialist Republic of Albania. Our country has always been and remains in favor of the constant strengthening and extension of relations with those countries on the basis of the principles of good neighborliness. In its relations with them, our country has been guided by goodwill and by the conviction that mutual exchanges, such as those in the field of trade, transport, culture, technology, and science, should serve to strengthen friendship between peoples, peace, and their common security.

For some time now, tensions in the Balkans have been increasing. Old feuds and jealousies have revived and become exacerbated. They have greatly disturbed the situation in the Balkans and have created further preconditions for the interference and increased influence of the superpowers in this area. The fact is that both the United States of America and the Soviet Union have stepped up pressure on the Balkan countries in order to safeguard their own positions in this peninsula, as well as to gain new concessions to the detriment of the freedom, independence, and sovereignty of the peoples.

We have declared and we maintain the view that the Balkans ought to belong to the people of the Balkans. The idea that the only guarantee of the defense of the country lies in foreign protection has been mistaken and has had grave consequences. Participation in military blocs and the presence of bases and facilities granted to the military forces of the superpowers increase dependence on the policy and military interests of the imperialist states and add to the threat to security and peace in this region.

Socialist Albania has not accepted and will not accept any action which divides and sows enmity among the peoples of the Balkans, or which violates and limits their freedom. It wants the peoples of the Balkans to be free from the tutelage and diktat of foreigners so that they can advance on the road of their national, democratic, and social emancipation.

History has mixed the peoples of the Balkans a great deal, perhaps more than anywhere else in the world. Ethnic minorities of each people are found within the state frontiers of other states. There has been and still is great sensitivity as to how they are treated. Good or bad relations between the states of our peninsula have been largely dependent on this treatment. The great powers have played upon these feelings in order to stir up quarrels and to set one people against another, in order to meddle in their domestic affairs and influence their foreign affairs.

The situation in the Balkans would be greatly improved if the minorities were regarded not as a source of feuds and divisions, but as a bridge for unity and friendship between the peoples of this peninsula. Recognition and respect for their identity, respect for their language, culture, national traditions, and their spiritual links with their own nation would create precisely that atmosphere of friendship and sincere collaboration, the strengthening of their freedom and independence, peace, and their common security.

Our party and state think that the grave problems which the present international situation presents make essential a realistic view of Balkan problems, abandoning old prejudices, mentalities belonging to bygone eras, and vestiges of former feuds and animosities. If the political will and sincere desire for cooperation exist, if the duties that come from being neighbors and the very important common interests which stem from this are properly appreciated, ways will be found which will lead to overcoming present difficulties and tensions and to the creation of the spirit of mutual trust, the strengthening of understanding, and the establishment of the truly good neighborly relations which are so necessary.

Our socialist state has not merely declared that it is in favor of the policy of good neighborliness, but has also undertaken definite steps to apply it in practice. The assurance which Albania has given neighboring countries that no danger will ever come to them from its territory is clear evidence of this. We have made and will continue to make efforts to develop fruitful collaboration in various fields, such as those of trade, transport, culture, technology, science, and so forth. We think that the expansion and extension of this cooperation to other fields where there is also common interest serve to strengthen the friendship between peoples and to bring them closer together, helping to develop understanding between individuals and to strengthen the peace and security of our region.

The traditional friendship between the Albanian people and the Greek people has been enriched with further positive developments through bilateral efforts. These two indigenous peoples, the most ancient of the Balkans, have been brought together and into friendship by sharing the same historical destiny. Their common struggles in defense of their freedom, independence, culture, and identity against foreign invasions and their liberation war against the German and Italian fascists, have created strong bonds of friendship which have stood the test of all times and situations. Here, too, lies the source of that respect which the Albanian people have always held for the Greek people and the interest and sincere joy over each victory of our neighbors on the road of freedom, democracy, and progress.

We note with satisfaction that the Greek people and their leaders, too, nourish the same feelings of friendship and respect for our people and for their efforts to strengthen their freedom and independent development.

The normalization of Albanian-Greek relations has been achieved through their joint contribution, and the efforts which are being made to overcome those difficulties which still remain have created conditions for these relations to become a good example and a lasting factor for peace, security, and progress in the Balkans.

We have considered the develoment of normal relations between Albania and Italy as an important factor serving not only good neighborliness between the two countries, but also peace and security in our region and beyond. These have been our starting points in the development of trade in cultural and technical-scientific exchanges, in communications, tourism, and other fields where there has been common interest. Our aim and desire has been and remains that these relations should advance in the future.

The Albanian people, as Comrade Enver Hoxha also stressed, have never confused, and do not confuse, the Italian people with fascism. We have always wanted our two peoples to be friends and wanted as many ties as possible between Albania and Italy, while entirely respecting the principles of sovereignty and equality. This corresponds to the interests of both countries. And so every activity that in one way or another could arouse doubts and mistrust or retard and damage the normal development of relations must be put to one side.

Friendly relations between Albania and Turkey have been strengthened steadily. Our differing political systems have not become obstacles to the harmonious development of relations. The Albanian and Turkish peoples have great respect and nourish pure feelings of kindly sympathy for each other. Our numerous compatriots who have gone to Turkey in all periods have found a friendly environment and have found help and support to live and work in conditions of equality, while developing their talents and making an unhampered contribution to the development and progress of Turkey. The Albanian people appreciate the moral support which progressive Turks, headed by Mustafa Kemal, gave the first, newly created Albanian state, just as we appreciate the sympathy of the Turkish people for the progress and development of our country today. The traditional bonds which exist between the two peoples, their ancient friendship and mutual respect, form a sound basis for the further development of Albanian-Turkish relations, for adding to their content, and for raising our manifold contacts and exchanges to a higher level.

We would like to have normal friendly relations with Yugoslavia, too. The attitude of the People's Socialist Republic of Albania toward Yugoslavia has been principled and consistent. It has striven for normal relations of friendship and good-neighborliness with the Socialist Federal Republic of Yugoslavia, because this would serve both the interests of the two peoples and stability and security in the Balkans. If present Albanian-Yugoslav relations are not as they should be, Albania is not to blame. The desire and will of one side alone is not sufficient to build good-neighborliness. Yugoslav policy toward Albania continues to remain fossilized. Apparently, old nationalist passions and ideologies in Belgrade prevent them from understanding that historical realities cannot be altered and that respect for the freedom, independence, sovereignty, and national identity of each people, as well as noninterference in their internal affairs and paths of development, constitute the sole basis for truly peaceful coexistence and the sole condition for good-neighborliness.

We have not interfered, and do not interfere, in the internal affairs of Yugoslavia. We do not meddle in its political, economic, national problems, or any other problems that it might have. These are the problems of Yugoslavia, and it is up to its people to solve them. Likewise, we have never presented territorial claims or any similar claim to Yugoslavia.

It is well-known that there are fundamental ideological differences between Albania and Yugoslavia. We have criticized and opposed Yugoslav self-management, which is proclaimed and publicized as a universal theory and an ideal practice of socialism. The Yugoslavs do not like our social system and oppose it, indeed with great heat. We say to them openly: We are for peaceful coexistence, but not for ideological coexistence. As communists, we are opposed to the bourgeois capitalist system. But this, we think, should not become an obstacle to normal state relations. And, in fact, we have normal relations with 104 different countries and conduct trade with them, as well as cultural, sports, artistic, and other exchanges, irrespective of the fact that there are fundamental differences between us in the ideological field. Like Albania, Yugoslavia has ideological differences, indeed very sharp differences, with many countries, but its state relations with them are normal.

Hence, the fundamental cause of the continuous tensions in Albanian-Yugoslav relations does not lie in any anti-Yugoslav predisposition of Albania or in the ideological differences that exist between the two countries. The attitudes and actions of Belgrade toward our country and toward the Albanians in Yugoslavia, both in the past and today, have been determined by the existence of an anti-Albanian constant in Yugoslav policy, by a refusal to recognize the Albanian nation, and by a refusal to accept the existence of its independent state. The Yugoslav rulers have been guided by a sort of feudal mentality that they ought to impose their diktat and tutelage over Albania. They are still suffering from nostalgia for Koci Xoxe.

Those already stale appeals which are made by Belgrade to give up Enver Hoxha, to abandon the road of Enver Hoxha, are expressions of this policy. It is not difficult to understand this preoccupation of theirs. The road of Enver Hoxha is not the road that leads to Belgrade. It is the road of the freedom and full independence for our fatherland, of untrammelled national sovereignty and the socialist development of the country; it is the road which put an end, once and for all, to the interference of foreigners in Albania and to their hopes and dreams of subjugating and ruling the Albanian people.

It is demagogy and a poor disguise to claim that you are supposedly fighting for good-neighborliness and peace in the Balkans and to launch slogans about Balkan cooperation and so forth while, in the meantime, trying, as do the Serbian academicians, to falsify history in order to prove that the Albanians are not indigenous to this peninsula but are immigrants from some unknown place -- in other words, that they are not on their own lands or in their own home. Whom does this platform serve? What prospects does it offer?

We adhere to what we have continually said and demonstrated with concrete proofs, that if they begin to think differently in Yugoslavia about Albania and the Albanians, if they want to live in friendship and peace with them, they will find in us partners ready to collaborate and advance in all those directions which serve the freedom and independence, sovereignty, and territorial integrity of our countries and good-neighborliness and friendship between the peoples.

More than 2 million Albanians live in Yugoslavia on lands that have been theirs for centuries, just as other peoples and nations live there. Various historical circumstances have united them in one state which ought to belong to all, equally for everybody. At present, because of the economic, national, and social policies that have been pursued, a grave situation has been created in Kosovo and other territories inhabited by Albanians. Kosovo has been gradually deprived of its autonomy; education in the mother tongue has been restricted; and its original culture and historical traditions are under threat. The Albanians are being systematically stripped of their national and democratic rights, which they won through their national liberation war and which have been sanctioned in the Constitution and other fundamental laws of the Yugoslav federation. Thousands and thousands of young Albanian men and women have been arrested, tortured, and imprisoned on absurd pretexts. The discrimination and denigration of the Albanians, which has taken on the shape of a real inquisition, has assumed unprecedented proportions.

As Albanians and communists, we can never reconcile ourselves to this state of affairs. Neither, we believe, can realistic and progressive people in Yugoslavia -- all those who have fought sincerely and shed their blood because they believed in the unity and fraternity of its peoples -- reconcile themselves to this. The peoples of Europe, for whom human, national, and democratic rights, freedom, and equality have been the inspiring and creative ideal of their civilization, will not reconcile themselves to it either. Nor will the peoples of the world for whom the struggle against national, racial, colonial, and other oppression represents that great motive force that carries human society forward reconcile themselves to it.

We have condemned and continue to condemn the injustices which are being meted out to the Albanians in Yugoslavia. Defense of and concern for minorities is an undeniable right. These things are provided for in international laws and practices, and even in the UN charter.

The attempts which are being made to find the culprits for the existing situation in Kosovo outside Yugoslavia are expressions of the lack of the realism to look things in the eye, of the lack of the political will to solve these problems with objectivity and a cool head. Likewise, the use of force and compulsion does not correct the situation.

We do not want the situation in Kosovo to grow worse. In no instance and in no way have we sought or do we seek to destabilize Yugoslavia. It is not in the interest of the peoples of the Balkans, nor in our interest, that it should be turned into an arena of quarrels and dissent, a situation which could facilitate the interference of foreign powers.

We have said, and we repeat, that domestic factors, economic and political factors, the mistakes of the past and those being committed today in the solution of national problems, and so forth are endangering the stability of Yugoslavia. It has always been our desire that Kosovo and other regions inhabited by Albanians should serve as bridges of friendship, affinity, and cooperation between our two countries, not by denying them their democratic and national rights, but by respecting and developing them according to the Yugoslav Constitution and to the same extent as these things are recognized for other peoples in the federation.

This is our starting point when we claim that the solution of the problems which have been accumulating in Kosovo, the interests of all the peoples of Yugoslavia -- Serbs, Albanians, Macedonians, Montenegrins, Bosnians, Croats, Slovenes, and others -- the stability and future of Yugoslavia require a wise, realistic, and objective stand. They require that the rights for Kosovo and other Albanian regions recognized by the Constitution and other fundamental laws of Yugoslavia be defended and respected and that their lawful demands be solved on the basis of these laws, in a spirit of equality, understanding, and justice.

With the overwhelming majority of Mediterranean states, the People's Socialist Republic of Albania maintains friendly relations, among which those with the Arab states occupy a special place. Between the Albanian people and the fraternal Arab peoples there are close historical ties which stem from the past and their struggles for freedom and national independence. Our peoples have always stood beside one another.

Between the People's Socialist Republic of Albania and the People's Democratic Algerian Repubiic friendly relations and close cooperation have been established for many years. Recently this cooperation has intensified appreciably, and we are confident that it will develop even further to the benefit of our two friendly countries and peoples.

Likewise, Albania's relations with Egypt, Libya, Syria, and other Arab states are developing on a friendly course. Possibilities exist to carry these relations still further forward in various fields of reciprocal interest.

The Albanian people and the AWP have given and will continue to give constant support to the just struggle of the martyred Palestinian people under the leadership of the Palestinian Liberation Organization to regain their homeland, their territory, and their own national state. There can be no real solution of the problems of the Middle East without a solution of the Palestinian problem. Similarly, our people will support the other fraternal Arab peoples in driving the Israeli aggressors from the occupied territories and defending their freedom and national sovereignty.

The deterioration of the situation in the Middle East and the spread of conflicts in that area have led to a further worsening of the situation in the Mediterranean too. This great area of ancient civilizations, which links and unites three continents and has dozens of peoples, has been turned by the superpowers and their blocs into a great arena of imperialist rivalry, into a sea packed with warships which threaten the countries on its shores with their guns, missiles, and marines.

The American military operations against Libya demonstrated that the situation in the Mediterranean has become ominous and is fraught with great dangers for all the Mediterranean countries. The fact is that the American adventure against Libya implicated a number of European and other countries which border on the Mediterranean.

In the light of these new developments, opposition to the military presence, bases, and fleets of the superpowers in the Mediterranean has become even more urgent and indispensable. The People's Socialist Republic of Albania long ago declared that their removal forms the first decisive condition for turning the Mediterranean into a sea of peace, communication, and civilization. Neither the United States of America nor the Soviet Union should be allowed to kindle the flames of war in the Mediterranean and threaten the peaceful existence, independence, and national sovereignty of countries on the shores of this basin.

Since Albania is a European country, our party and people are particularly interested in everything that occurs on our continent. The situation in Europe continues to be charged with new tensions. American-Soviet confrontation on this continent has led to the strengthening of military blocs and to the inclusion of different states in the arms race. After the deployment of the American Pershing II and cruise missile systems and the Soviet SS-20 missiles, the political, eocnomic, and military pressures of Washington and Moscow have been stepped up. The so-called European security, the programs of collective defense, the proposals for the revival of detente and inter-European cooperation have not reduced tensions in Europe. Time has proved, and is proving more convincingly each day, that peace and security in Europe, free and independent development, and the sovereignty and territorial integrity of its countries are not guaranteed either by the political-military blocs that the superpowers maintain, by their military bases and atomic weapons, or by the conferences they organize and manipulate supposedly in the name of European security. The true road to European security is the liberation of the European peoples from the superpowers' political, military, and economic blocs -- from their supervision and tutelage -- and is the pursuit of an independent policy in all fields and the exercise of unrestricted national sovereignty on all questions.

The Albanian people understand the freedom-loving, democratic, and peace-loving aspirations of the European peoples and support their efforts to realize their aspirations. Guided by the principles of equality, non-interference in internal affairs, reciprocal respect, territorial integrity, and national sovereignty, our country maintains normal relations with most European countries and is trying to develop them in favor of the common interests.

With France, Austria, Switzerland, Sweden, and the other Nordic countries our relations are developing in positive directions. We believe that with joint efforts, ways can be found to carry our concrete collaboration further.

With Romania, Bulgaria, the GDR, and other states of Eastern Europe, as well as with the PRC, our trade exchanges have recorded a gradual rise. We are in favor of the normal development of state relations on the basis of mutual benefit.

Recently diplomatic relations were established between our country and Spain. It is our desire that this act will open the way to fruitful and friendly development for our two Mediterranean countries, that their long-standing ties will be revived and strengthened.

We have had talks with the FRG about the normalization of relations between our two countries and we believe that with goodwill and joint efforts this objective can be achieved. With Britain, too, we are not opposed to the normalization of relations, but this requires that it face up realistically to the return of the Albanian gold held unjustly in London since the end of World War II.

Relations between the People's Socialist Republic of Albania and the SRV have been developed and strengthened on the basis of friendly links that have existed between our peoples for a long time. Likewise, our relations with the DPRK, Laos, and Cambodia and a number of other Asian countries are developing on friendly lines.

Since the eighth congress of the party, Albania's relations with the countries of the African continent have been increasingly extended and strengthened. There is every possibility that existing friendly cooperation with Tanzania, Zambia, Zimbabwe, Burkino Faso, Mali, and so forth will be further strengthened to the benefit of the struggle against imperialism, neocolonialism, and racism, and that further progress will be made toward reinforcing these relations to mutual advantage.

The AWP and the government of the People's Socialist Republic of Albania have given and are continuing to give resolute support to the just struggle of the African peoples for national liberation and for the defense and strengthening of their freedom and national independence, as well as to their struggle against racial discrimination and apartheid and against the interference of imperialist and neocolonialist powers.

With Cuba, Mexico, Argentina, Nicaragua, Brazil, and other states of the Latin American continent our relations have developed along friendly lines and on a basis of mutual respect. Our socialist state is in favor of the continuous development of relations with the countries of Latin America.

The Albanian people and the AWP are in full solidarity with the struggle being waged by the people of Latin America for the development of democracy and the reestablishment of their civil liberties and rights, against the ruthless plunder of imperialism and the enslaving system of debts, and for the strengthening of their sovereignty of their independent development.

The People's Socialist Republic of Albania will consistently pursue the principled foreign policy which has ensured all these victories. It bases its freedom and independence neither on alliances nor on foreign tutelage, but on its own potential, on its uninterrupted independent political and economic development, on the determination and patriotism of its own people, on the lofty moral and political unity of the people around the party, and upon a strong and impregnable people's defense.

Our foreign policy, based firmly upon our people and enjoying their unanimous support, will always remain unswervingly in the service of the lofty interests of the socialist fatherland and will militate as always in an internationalist spirit to make its contribution to the triumph of the cause of the liberation of the people and to peace and security in the world.

Comrade delegates, the Central Committee presented to you the important objectives that we must achieve in the next 5 years and the numerous tasks we must accomplish. A great deal of work awaits us. Our party has always set itself great tasks and our people have always aimed at lofty objectives. The giant strides that our fatherland has taken in its socialist construction, the colossal transformations that have taken place, have been made through struggle and have been brought about through a great deal of self-sacrificing labor, with unrivalled mobilization and a powerful revolutionary spirit. Through struggle and labor we shall forge ahead in the future too. Through struggle and labor we shall strengthen and make bounteous our socialist life.

We do not expect anybody to help us achieve the plans we have drafted. We have done and will do everything through our own resources. Through our own toil and sweat we shall push forward the industrialization of the country and the modernization of agriculture and raise the cultural level of the masses and the prosperity of the people. The guarantee for this is the inexhaustible strength of the people, with their talents and knowledge, their courage and bravery to cope with every situation and overcome any difficulty. The guarantee is the wise leadership of the historic party.

So, comrades, let us labor with redoubled energies, with mobilization and enthusiasm, to accomplish and exceed the new 5-year plan which sets forth the rates and levels for the growth, strengthening, and progress of our socialist fatherland. Let us continue to unite our energies to strengthen even further the unity of steel of the people around the party, to make the defense of the country even more powerful and the leading role of the party even more effective. Let us master Marxist-Leninist science and the immortal teachings of Comrade Enver Hoxha and apply them resolutely to make even more sturdy those foundations that guarantee our socialist victories and our sure future.

Onward, comrades, with the banner of the party to the fore, toward new victories on the brilliant road of our revolution, freedom, and socialism!

Long live the ninth party congress!
Long live our heroic and hard-working people!
Long live our victorious party!
Glory to the life and work of Comrade Enver Hoxha!
Glory to Marxism-Leninism!

The report of Comrade Ramiz Alia was listened to with great attention and particular interest. He was often interrupted by applause, cheers, and enthusiastic ovations from all the delegates for the AWP, for the party-people unity of steel, for the victories of our party and people in the socialist construction of the country, and for our secure present-day life and brilliant future.

The hall frequently resounded with cries of "Party of Labor, Party of Labor," "Glory to the immortal name and work of Comrade Enver Hoxha!" Long live the party Central Committee with Comrade Ramiz Alia at its head!" "Glory to Marxism-Leninism!" "Long live proletarian internationalism!" and "Marxism-Leninism, Marxism-Leninism!"

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WARSAW PACT DEFENSE MINISTERS MEET IN WARSAW

LD012140 Warsaw PAP in English 1902 GMT 1 Dec 86

[Text] Warsaw, Dec. 1 -- A session of the Committee of Defence Ministers of States-Parties to the Warsaw Treaty, chaired by PUWP CC Political Bureau member and Polish National Defence Minister Gen. Florian Siwicki, started here today.

The session is attended by delegations of fraternal socialist armies headed by: Bulgarian National Defence Minister Gen. Dobri Dzhurov, Hungarian Defence Minister Gen. Ferenc Karpati, GDR National Defence Minister Gen. Heinz Kessler, Romanian National Defence Minister Gen. Vasile Milea, Soviet Defence Minister Marshal of the Soviet Union Sergey Sokolov, Czechoslovak National Defence Minister Gen. Milan Vaclavik, and by a delegation of the Joint Armed Forces with Marshal of the Soviet Union Viktor Kulikov and Chief of Staff Gen. Anatoliy Gribkov.

In the morning, the participants in the session laid wreaths at the Tomb of the Unknown Soldier and the monument-mausoleum of Soviet Army soldiers.

CEMA MATERIAL RESOURCES GROUP MEETS IN SOFIA

AU210946 Sofia BTA in English 2023 GMT 20 Nov 86

["CMEA: Materials and Power Efficiency" -- BTA headline]

[Text] Sofia, November 20 (BTA) -- The signing of a protocol here tonight marked the close of the 21st session of the Permanent Working Group of the CMEA Member-Countries on Cooperation in the Field of Material Resource Efficiency. It was attended by delegations of Bulgaria, the GDR, Cuba, Mongolia, Poland, Romania, the USSR, Hungary and Czechoslovakia.

Bulgaria, the GDR, Poland and the USSR signed two techno-scientific cooperation agreements on the development and use of low-tin and tinless solders.

CEMA COUNTRIES AGREE ON CHEMICAL COOPERATION

DW241414 East Berlin Domestic Service in German 1100 GMT 21 Nov 86

[Text] The European CEMA countries have agreed on steps for multilateral specialization and scientific-technological cooperation in the chemical products field. The respective documents were signed at the 31st Interchemical Council meeting which has ended in Halle. The measures are intended to better meet the demand for specific materials for microelectronics as well as the demand for synthetic materials, plant protectives, and insecticides. In addition, it was decided to coordinate investments.

ALIA, CARCANI RECEIVE LIBERATION DAY GREETINGS

AU301532 Tirana ATA in English 1029 GMT 30 Nov 86

[Text] Tirana, November 30 (ATA) -- On occasion of November 29, they of the liberation of the homeland and the triumph of the people's revolution, Comrade Ramiz Alia, first secretary of the Central Committee of the party and president of the Presidium of the People's Assembly, and Comrade Adil Carcani, chairman of the Council of Ministers, have received telegrams in which wishes are expressed for the well-being of the people and prosperity of the country, the development of relations with Albania.

Comrade Ramiz Alia and Comrade Adil Carcani have received a telegram by the general secretary of the Central Committee of the Communist Party of Vietnam, Chairman of the Council of State of the Socialist Republic of Vietnam Truong Chinh and by the chairman of the Council of Ministers of the Socialist Republic of Vietnam Pham Van Dong.

Besides, Comrade Ramiz Alia, first secretary of the Central Committee of the party and president of the Presidium of the People's Assembly has received telegrams by the general secretary of the Central Committee of the Party of Labour of Korea, president of the Democratic People's Republic of Korea, Kim Il-song as well as by the president of the Algerian Democratic and People's Republic and general secretary of the Party of the Front of National Liberation, Chadli Bendjedid.

Comrade Ramiz Alia and Comrade Adil Carcani have received a telegram by the president of the Socialist Republic of Romania Nicolae Ceausescu and the prime minister of the Government of the Socialist Republic of Romania, Constantin Dascalescu.

Comrade Ramiz Alia has received also message of greetings by heads of states: the president of the Greek Republic Khristo A. Sartzetakis, the president of the Republic of Turkey, Kenan Evren, by the president of the Arab Republic of Egypt, Muhammad Husni Mubarak, the president of the Italian Republic, Francesco Cossiga.

Comrade Ramiz Alia and Comrade Adil Carcani have received a telegram by the chairman of the Council of State and Government of the Republic of Cuba, Fidel Castro Ruz.

Comrade Ramiz Alia has taken telegrams by the general secretary of the Central Committee of the Revolutionary People's Party of Kampuchea and chairman of the Council of State of the People's Republic of Kampuchea Heng Samrin and the chairman of the Council of Ministers of the People's Republic of Kampuchea Hun Sen, as well as by the chairman of the Presidency of the Socialist Federal Republic of Yugoslavia Sinan Hasani.

A telegram is addressed to Comrades Ramiz Alia and Adil Carcani also by chairman of the State Council of the German Democratic Republic, Erich Honecker and by the chairman of the Council of Ministers of the German Democratic Republic Willi Stoph.

Comrade Ramiz Alia has received telegrams also by the King of Norway Olav V, the chairman of the Council of State of the People's Republic of Bulgaria, Todor Zhivkov.

Comrades Ramiz Alia and Adil Carcani have received a telegram by the president of the People's Republic of China, Li Xiannian and the chairman of the Council of State of the People's Republic of China Zhao Ziyang.

Comrade Ramiz Alia has received also telegrams by the emperor of Japan Hirohito, the president of the Socialist Republic of Czechoslovakia Gustav Husak, the chairman of the National Assembly of the People's Power of the Republic of Cuba, Flavio Bravo Pardo, the president of the Islamic Republic of Pakistan, General Mohammad Ziaul Haq, the queen of Holland, Beatrix, the president of the Syrian Arab Republic Hafiz al-Asad, the general governor of Australia, Ninian Stephen, the queen of Denmark Margrethe II, the president of the Republic of Argentina, Raul Ricardo Alfonsin, the chairman of the Council of State of the People's Republic of Poland, Wojciech Jaruzelski, by the general secretary of the Central Committee of the Workers' Party of Ethiopia, President of the Provisional Military Administrative Council, General Commander of the Revolutionary Armed Forces of Socialist Ethiopia, Mengistu Haile Mariam, the president of the Republic of India Giani Zail Singh, the first secretary and president of the African National Union of Zimbabwe and premier of the Republic of Zimbabwe Robert Gabriel Mugabe and by the president of the Socialist Democratic Republic of Sri Lanka, Junius Richard Jayewardene.

CHEA SIM-LED CAMBODIAN DELEGATION ARRIVES

Miska Receives Delegation

AU021144 Tirana ATA in English 0818 GMT 2 Dec 86

[Text] Tirana, December 2 (ATA) -- The chairman of the Presidency of the People's Assembly, Pali Miska, received on December 1 at the seat of the Presidium of the People's Assembly the delegation of the National Assembly of the PR of Kampuchea, led by its chairman, Chea Sim.

Present at the reception were the vice chairman of the Presidency of the People's Assembly, Jashar Menzelxhiu; the secretary of the Presidium of the People's Assembly, Sihat Tozaj, and others.

The reception passed in a warm and friendly atmosphere.

Dinner Held

AU021147 Tirana ATA in English 0819 GMT 2 Dec 86

[Text] Tirana, December 2 (ATA) -- The Presidency of the People's Assembly of the PSR of Albania gave a dinner last night on occasion of the friendly visit to our country of the delegation of the National Assembly of the People's Republic of Kampuchea, led by its chairman, Chea Sim.

Attending were the chairman of the Presidency of the People's Assembly, Pali Miska; the vice chairman of the Council of Ministers, Besnik Bekteshi; the chairman of the Permanent Commission of Foreign Affairs of the People's Assembly, Foto Cami, members of the Presidium of the People's Assembly and government, deputies and other guests.

During the dinner, which passed in a warm and friendly atmosphere, speeches were made by the chairman of the Presidency of the People's Assembly, Pali Miska, and the chairman of the National Assembly of the PR of Kampuchea, Chea Sim. They also toasted to the further strengthening and development of the friendly relations between our two countries and peoples.

HUSAK CONGRATULATES LAOS' PHOMVIHAN ON REELECTION

AU261133 Bratislava PRAVDA in Slovak 17 Nov 86 p 1

[Text] Prague (CTK) -- Gustav Husak, CPCZ Central Committee general secretary, sent a letter of congratulations to Kayson Phomvihan on the latter's reelection as general secretary of the Central Committee of the Lao People's Revolutionary Party (LPRP). The letter expresses the conviction that the Lao people, led by their revolutionary party, will achieve further successes in the socialist construction of the country; and that the traditional relations of friendship and cooperation between the CPCZ and LPRP, and between the CSSR and the Lao People's Democratic Republic will continue to develop successfully.

CHNOUPEK SPEAKS AT PEACE YEAR CELEBRATION

AU261017 Prague RUDE PRAVO in Czech 18 Nov 86 pp 1, 2

["(MC)"/CTK - signed report: "Promoting Friendship and Understanding Among Nations"]

[Excerpts] Prague -- The Czechoslovak Society for International Relations [CSMS] held a festive gathering in the Cernin Palace in Prague on 17 November to mark the 40th anniversary of its founding and the International Year of Peace proclaimed by the United Nations. It was attended by Vasil Bejda and Michal Stefanak, heads of CPCZ Central Committee departments; Dalibor Hanes, Bohuslav Kucera, and Zbynek Zalman, deputy chairmen of the CSSR Federal Assembly; Bohuslav Chnoupek, CSSR minister of foreign affairs; as well as by members of the Prague diplomatic corps.

The CSMS was founded as one of the first societies for international relations immediately after the founding of the United Nations. [passage omitted] Whereas in 1980 it cooperated with 30 partner organizations from all continents, this year the number of these partner organizations increased to 60. One of the exceptionally important areas of the CSMS's activity is the promotion of contacts along the line of sister cities. A total of 106 Czech and Slovak cities have been twinned with foreign partners in 19 countries of the world thus far, which is double what it was in 1982. [passage omitted]

The festive speech at the gathering was made by Bohuslav Chnoupek, CSSR minister of foreign affairs and chairman of the Czechoslovak Commission for the Year of the United Nations and the International Year of Peace. He said, among other things:

We recall the 40th anniversary of the CSMS's founding in an international situation which, I am sorry to say, is far from being as we would wish it to be. On the other hand, there are also some important signals that permit us to assess it more favorably than a few years ago. Political dialogue has developed, contacts between states and their governments have been expanded, and an increasingly broad range of problems has become the subject of bilateral and multilateral talks and consultations. Among these problems, the question of averting the threat of a nuclear war has gained priority.

The Soviet moratorium on nuclear tests, extended several times, has been in force for 470 days. At the 41st UN General Assembly the socialist states put forward the proposal for a comprehensive system of peace and international security relying not on the factor of military might but on a whole set of political, defense, economic, and humanitarian aspects. There is an unprecedented activation of the struggle for peace, in which social movements, political parties, and youth, women, and religious organizations take an increasingly broad part.

Such is the current that makes the climate of our continent warmer, Minister Chnoupek went on to say. The opening of the Vienna follow-up meeting of the Conference on Security and Cooperation in Europe, too, was marked by this climate. It confirmed the political will of the signatories of the Final Act of the Helsinki Conference to act in the spirit of the sole possible alternative -- to pursue the path of peaceful coexistence of states with different social systems, the path of enhancing all the structures of security and cooperation in Europe. The session in Vienna also showed that the results of the Helsinki process attained since the Madrid follow-up meeting are on the whole positive.

What had the greatest impact on the encouraging start of the Vienna meeting, B. Chnoupek continued, was the Reykjavik meeting of Mikhail Gorbachev, general secretary of the CPSU Central Committee, and U.S. President Ronald Reagan. We welcomed the initiative of the Soviet Union for this paramount political and diplomatic event of the year. We appreciate the fact that for the first time after many decades, the meeting helped mankind to advance along the path towards nuclear disarmament, toward the final triumph of common sense.

Reykjavik has undoubtedly been an encouragement to all those who want a change for the better, Bohuslav Chnoupek went on to stress. On the other hand, however, it also showed more accurately than before the difficulties on the road to a world that would be free of nuclear weapons, especially the main obstacle, the so-called Strategic Defense Inititive of the United States.

Minister Chnoupek went on to discuss in detail the CSSR's foreign political activity. He stressed that Czechoslovakia is fully determined to contribute in every way to further improving the international climate and to striving more insistently for disarmament, revival of detente, and broad international cooperation. In this connection he conveyed thanks to the CSMS for everything it has been doing to contribute to the implementation of Czechoslovak foreign policy aims. He expressed appreciation for the society's active cooperation with the societies of friends of the CSSR abroad, with major representatives of foreign governments, with the leaders of various political parties, but also abroad range of other persons -- from ordinary people up to prominent representatives of scientific, business, and cultural circles. At the close of his speech he assured the CSMS of the CSSR Government's and Foreign Ministry's full support in its further activity. [passage omitted]

BRIEFS

BRAZILIAN ECONOMIC COOPERATION -- Prague Nov 28 (CTK) -- Interest of Czechoslovakia and Brazil in promoting their economic cooperation was expressed in a joint statement signed here today by Czechoslovak Minister of Foreign Trade Bohumil Urban and Brazilian Minister of Mines and Energy Antonio Aureliano Chaves de Mendoca. The document provides for continuing Czechoslovak participation in the development program of the Brazilian economy, particularly by supplies of machinery and equipment for the power industry. [Text] [Prague CTK in English 1630 GMT 28 Nov 86 LD]

STOPH ASSESSES GOALS OF 1987, 5-YEAR PLANS

LD290426 East Berlin ADN International Service in German 1155 GMT 27 Nov 86

["From the Speech by Prime Minister Willi Stoph on the 5-Year Plan and the National Economic Plan" -- ADN headline]

[Text] Berlin, 27 Nov (ADN) -- The draft laws on the 1986-1990 5-Year Plan and the 1987 National Economic Plan are before the People's Chamber for discussion and a decision. They are directed, by the implementation of the resolutions of the 11th SED Congress, at strengthening the GDR in a comprehensive manner and consistently continuing the tried-and-true policy for the well-being of the people and for the safeguarding of peace. The draft laws which have been presented outline the tasks necessary for this, in accordance with the directive of the 11th SED Congress. They have been approved fully and completely by the third session of the SED Central Committee.

In the future, its main task of unity of economic and social policy will determine activity -- the core of the economic strategy -- with an eye on the year 2000. Again and again, new stimuli and important initiatives emanate from this tried-and-true policy to strengthen economic power and improve working and living conditions.

At the center of exertions is the need to attain and maintain a technological standard of performance with which the GDR can hold its own in the foremost ranks on the international scene through higher effectiveness of science and technology, especially the intensified use of high and key technologies. This includes continuing comprehensive intensification and guaranteeing it on a lasting basis and accelerating product renewal.

An inseparable component and a decisive foundation for the further dynamic development of the national economy in the period 1986-1990 and beyond is the deepening and further completion of the GDR's economic and scientific-technological cooperation with the USSR and the other CEMA member-countries in accordance with highest-level decisions. The basis of the tasks contained in the draft law for this is the need to particularly concentrate on the development and broad utilization of highly productive key technologies to attain a high standard for products, to implement cooperation with the goal of promoting the process of intensification of the national economies of the CEMA member-countries, and to utilize for this end new forms of cooperation arrangements in science, technology, production, and foreign trade.

These are high and ambitious goals, calling for economic growth in the period 1986-1990, which will continue to be stable and dynamic. The draft of the 1987 National Economic Plan is in complete accordance with the tasks of the 5-year plan. The implementation of the tasks ahead require the daily accomplishment of high and rising performance in all spheres of the national economy. This has already been demonstrated by the successful implementation of the 1986 National Economic Plan, the proportionate performance targets of which were fulfilled by the end of October in all areas and overfulfilled in important sectors, in accordance with the additional commitments undertaken.

An increase in net production of around M2.4 billion has been produced in the industrial sectors. The overfulfillment of industrial goods production in the whole national economy amounts to around M4.9 billion. The national income has been increased by 4.3 percent compared to the same period last year, based on comprehensive intensification and growth of labor productivity.

A strong pace can be noted in key technologies, particularly in microelectronic products. It should also be emphasized that the specific input of raw materials, materials, and energy resources were reduced further.

The construction workers have fulfilled their commitments and handed over 176,053 newly built or modernized homes to the population. In agriculture, the record result of last year has even been surpassed, with a per-hectare yield of 463 metric tons of grain. Altogether, 11.6 million metric tons of grain were harvested.

The Council of Ministers is convinced that the plan documents presented for discussion and a decision will yield new commitments and initiatives in socialist competition. 6.1 million working people participated in the discussion of the directive of the 11th SED Congress. They submitted more than 770,000 suggestions for the tapping of national economic reserves in performance and effectiveness and for the further improvement of working and living conditions.

The foreign policy of the GDR is bound to the most important task of the present -- peace -- in firm alliance with the USSR and the other fraternal socialist countries. This goal is and will remain at the basis of the activity of the first German peace state. Allied in friendship with the USSR and firmly rooted in the community of the socialist states, the GDR will always stand on the side of all forces that are determined to avert the danger of a nuclear inferno from mankind and to preserve peace for mankind. Particularly in the present international conditions, the consolidation of the unity and cohesion of the fraternal socialist states, the strengthening of their economic power and the expansion of their cooperation in all sectors are of decisive importance for the maintenance of world peace and the enhancement of socialism's attractiveness. This was again emphasized by the recent Moscow meeting of the leading representatives of the fraternal parties of the socialist countries which are member-states of CEMA.

The official friendship visits by Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR Council of State, to the DPRK, the PRC, and the Mongolian People's Republic achieved results which are of great political significance. They introduced a new phase of friendship and cooperation with these states and peoples. This would contribute to strengthening socialism and to the preservation of world peace, to ending the arms race as well as to detente in Europe, Asia, and the whole world.

The GDR is participating constructively and with commitment in the development and realization of the joint socialist peace policy, as established at the Budapest conference of the Warsaw Pact Political Consultative Committee last June. That is why the GDR supported fully and completely the constructive approach of the USSR to find the solution to the vital questions of mankind in the nuclear age. The far-reaching proposals presented by Mikhail Gorbachev in Reykjavik were of extraordinary importance.

However, a historic chance was thrown away in Reykjavik because the U.S. Administration refused to give up its Star Wars program, thus continuing its quest for military superiority and political predominance. The SED Central Committee Politburo, the Council of State and the Council of Ministers emphasized in a joint statement on the results of this meeting that now it is all the more important to ensure a fundamental solution to questions of war and peace together with all forces of reason and realism, to undertake even more comprehensive efforts so that everything that emerged in Reykjavik and that remains on the negotiating table can still become reality. Erich Honecker had said at the third SED Central Committee session: If the medium-range missile question is solved there will no longer be any necessity to have tactical missiles (with a range less than 1,000 km) [ADN parentheses] in the GDR."

Businesslike political dialogue was shown to be an indispensable instrument for the prevention of the arms race in space and to stop it on earth, and for strengthening of peaceful coexistence between states of differing social orders. That is why the GDR is resolved to continue its results-oriented policy of dialogue with all forces who are interested in peace and fruitful bilateral relations between states. The successful conclusion of the Stockholm Conference showed clearly that it is possible to reach agreements that corresponded to the political and security interests of all participants, despite continuing differneces and opposing opinions. The GDR, which had a part in this result, will preserve the store of trust that had been built up in Stockholm through a conscientious implementation of the concluding document, and will strive for new steps toward military detente in Europe.

The GDR initiative for the creation of a chemical weapons-free zone in Europe was meant to contribute to the prevention of war ever again breaking out on German soil. This was also the intent of the step-by-step plan for the creation of a nuclear weapons-free corridor in this region, in accordance with the Palme proposal that was presented jointly by the SED and the SPD. The GDR is working to achieve results at the current Vienna review Conference on Security and Cooperation in Europe, which will revitalize and consolidate detente on the continent.

The GDR is making particular efforts to achieve and secure peace and good-neighborliness at the dividing line between both social systems and the two large military blocs in the center of Europe. This calls, above all, for full respect of the international realities, in accordance with international law, and on the basis of the principles of peaceful coexistence. This also applies to GDR-FRG relations. That is why so much importance is being given to the words in the joint statement on 12 March 1985 by Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR Council of State, and Helmut Kohl, federal chancellor of the FRG, that the inviolability of the borders and respect for the territorial integrity and sovereignty of all states in Europe within their current borders are a fundamental condition for peace.

Everything we do in our relations with the FRG, which procedes from the basic treaty and the European system of treaties, is and remains determined by the necessity to safeguard peace, said Stoph. Evidently, however, there are still influential forces in the FRG who still find it difficult to accept the realities of our epoch. They must be told that the duty to maintain peace also applies to the FRG, and that nobody will release the politicians from that the responsibility.

The draft laws presented were directed at the continuation of the dynamic economic growth. It was expected to raise produced national income by 4.5 percent in 1987 and by 25 percent in the period of the 5-year plan. This meant that in 1990 about twice the amount of national income would be produced as in 1975. The new state of the economic strategy was characterized by the fact that the growth in national income was based to an even grater extent on the use of qualitative factors of economic growth, especially the rapid development and broad application of key technologies. This found its expression in the increase in net production and labor productivity in the sphere of the industrial ministries by 50 percent in 1990 as compared to 1985; and in the average annual reduction of specific consumption of economically important raw materials and materials by 4 percent, of prime costs in industry by 2.2 percent and of specific transportation input by 3.2 percent.

At least 90 percent of the growth in national income is intended to be achieved by the increase in labor productivity, of which the pace of development will be further accelerated. Specific production input per unit of national income is to be lowered by an annual average of 2.1 percent.

Through the accelerated application of energy-saving technologies and production processes of the highest scientific-technical standards, energy use by the economy is to be further reduced.

Based on what had been achieved in 1986, it is necessary in the coming year to achieve an even higher rise in performance. In industry, for example, we intend to increase net production by 9 percent and labor productivity by 8.6 percent, and to lower prime costs by 2.3 percent and material costs by 2.4 percent. Real per-capita income would rise by an annual average of 4 percent in the period 1986-1990. As a highly industrialized state, the GDR, on the basis of socialist production relations and the proven system of the socialist planned economy, has all the preconditions for keeping pace with the revolutionary changes in productive forces, particularly those taking place as a result of the introduction of key technologies.

Proceeding from this, the plan was directed at the GDR's broader and more effective use of microelectronics in particular, and, in general, of modern computer technology, especially the CAD/CAM technology of the flexible automated assembly systems, of the new processing technologies, of nuclear energy, of the application of modern materials, of laser technology and of biotechnology; the measures established will cover the rising demand for microelectronic components, which will develop by 1990 to around 300 percent of the 1985 level in the case of integrated switching circuits, for example.

The opportunities for increasing the effectiveness of research, development, planning, and production; for gaining workers for other tasks in the national economy, and for increasing the flexibility and ability to react on production; would be expanded significantly with the envisioned use of 90,000 CAD/CAM work stations in the 1986-1990 period. Prerequisites have to be created for reaching over 25 percent of the total envisioned increase in labor productivity with the 80,000 industrial robots, which are to be produced in the 1986-1990 period. Performance that goes beyond that which is known internationally has to be the yardstick for the use of the GDR's significant research potential.

The refinement of raw materials and materials had to be advanced at a rapid pace. In this way, at least 2.6 million metric tons of rolled steel; about 44,000 metric tons of aluminium; 13,000 metric tons of copper; and around 1.8 million metric tons of cement are to be saved through science and technology. It was planned to increase the use secondary raw materials, which amounts to 31 million metric tons in 1986, to 35 million in 1990. It is planned to reduce the costs of materials for goods production in industry by an annual average of 2.4 percent in the 5-year plan period, from 1986-1990. The draft law on the 1987 National Economic Plan presented the task of saving M6.7 billion of material costs in industry and more than M500 million in the construction sector.

In accordance with national economic requirements, the plans will lead to a concentration of investments in those projects of particular importance for the utilization in the economy of the results of science and technology -- and of top performances, in particular -- and for the safeguarding of the energy and raw materials base, the development of consumer goods production, and the strengthening of export power.

The tasks for the further deepening of socialist economic integration with the USSR and the other CEMA member-countries were established in binding form in the plan documents. The basis for this is the Comprehensive Program on Scientific-Technological Progress of the CEMA Member-Countries up to the Year 2000.

The closer integration of the national economies of the GDR and the USSR is of great importance for further successful economic growth. New forms of cooperation, such as the development of direct relations between combines, enterprises and associations of the GDR and the USSR, and the formation of joint collectives of researchers and scientists from both countries, are being implemented in consistent execution of the principled agreements reached between Erich Honecker and Mikhail Gorbachev.

The 42d session of the CEMA in Bucharest in early November made important decisions for the further deepening of socialist economic integration, decisions that are directed at strengthening the scientific-technological and economic potential in the interests of each country and for the consolidation of the positions of socialism. Important qualitative changes will take place in foreign trade with the USSR in the period 1986-1990, they correspond principally to the requirements for the intensification and deepening of specialization and cooperation in production.

In trade with the CSSR, the PPR, the Hungarian People's Republic, the Socialist Republic of Romania, and the People's Republic of Bulgaria, a dynamic development of foreign trade relations, on the basis of the programs that have been signed on economic and scientific-technological cooperation up to the year 2000, would be ensured by the plans. As far as the exchange of with the PRC, the DPRK, and the Mongolian People's Republic were concerned, Erich Honecker's official friendship visit has opened up new opportunities for cooperation. The plan documents for the 1986-1990 period also envision the expansion of economic and trade relations with the consocialist economic area. This was regarded simultaneously as the material basis for the foreign policy, which is directed at peace and international detente.

Economic and scientific-technological cooperation with the developing countries also would be arranged in the future in such a way that effective support for the development of the national economies of these countries would occur on the basis of mutual advantage. The exchange of goods with capitalist industrial countries is to be further increased on the basis of equal rights and for mutual benefit.

The economic safeguarding of national defense and the guaranteeing of internal security and order are a constituent part of the draft laws. Supported by the close brotherhood-in-arms with the Soviet Union, the GDR is making its contribution to the framework of the socialist military coalition to ensure that the borders and the territory of the Warsaw Pact member-states will always be reliably protected.

The energy base of the national economy will be expanded further. To this end, the mining of raw lignite was to be raised to 335 million metric tons by 1990. To guarantee the supply of electrical energy, the introduction of 2,500 MW of new power station capacity was envisioned in the 5-year plan, 1,180 MW of it on the basis of raw lignite, and 1,320 MW in the North Nuclear Power Station.

The housing issue will be solved as a social problem with the 5-year plan: 1.064 million apartments will be built or modernized.

In accordance with the growth of the national economy, the draft laws took account of the requirements of environmental protection. Technologies which were low in and free of waste products and closed material cycles were being introduced to a greater extent, especially in the energy sector and metallurgy, the chemicals, chemical pulp and paper industries, and agriculture and the food sector.

The 1986-1990 5-Year Plan and the 1987 National Economic Plan will receive the force of law when the decision is made by the People's Chamber. They will thus become the binding basis of the united activity of all central and local state bodies, the combines, enterprises, and cooperatives, and scientific and all other institutions. The reality of the plans presented to the People's Chamber for its decision was sustained by the industrious and creative work and the dedicated activity of the working class, the cooperative farmers, the intelligentsia, and the millions of working women and men of our country. They tried and tested close comradely cooperation among the friendly parties in the Democratic Bloc and all social forces united in the National Front will reveal itself further. Their whole activity, characterized by the humanistic spirit of the socialist social system, contributes to the comprehensive strengthening of the GDR and to the safeguarding of peace.

FINANCE MINISTER HOEFNER DESCRIBES 1987 BUDGET

LD282143 East Berlin ADN International Service in German 1238 GMT 27 Nov 86

[Text] Berlin, 27 Nov (ADN) -- The bill on the 1987 state budget plan is directed toward consistently continuing the proven course of the main task in its unity of economic and social policy for the well-being of the people and for safeguarding peace. This was stated by GDR Finance Minister Ernst Hoefner when moving on the draft law on the plan at the People's Chamber session in Berlin today.

The draft plan assumes the use of all qualitative factors for comprehensive intensification. With a view to the year 2000, it makes high demands on work efficiency in all spheres of the national economy, the minister stressed.

He explained that with the draft law on the state budget plan the task of achieving state revenues of M256.3 billion was set for 1987. As always in the 27-year development of the GDR, the plan for the coming year provided for a balance between revenues and expenditures and for the state budget to close with a surplus.

The publicly-owned combines and enterprises are given the task in 1987 of making payments to the state of M200.1 billion, which means that publicly-owned industry will contribute over 78 percent of all budget revenues on the basis of increased performances and a constantly better cost-benefit ratio.

Economically far-reaching and lasting results in cost reduction are to be achieved primarily on the basis of the results of science and technology. For this sector, the draft plan allots a total expenditure of M13 billion.

The minister added that the allocation of the necessary financial means for the investment of M68.4 billion provided for in the draft law on the 1987 national economic plan is assured. The funds are planned primarily for financing important projects in key technologies, the energy economy, and environmental protection.

The draft plan contained a total of M2.3 billion for the intensification of socialist agriculture. Expenditures on national defense are to total M15.1 billion.

Some M28 billion are to be spent on new buildings and the reconstruction and modernization of housing; on preserving the housing stock of all forms of ownership, and on servicing publicly-owned and cooperative housing.

M13.5 billion are to be spent on education, vocational training, adult education, universities, and technical colleges. This is, Minister Hoefner said, M518 million more than in 1986. For the care and upbringing of children in kindergartens M6 billion have been allotted and M23 billion to the health and social services, which is M2 billion more than in 1986.

The minister said that M1.8 billion have been earmarked for the further improvement of working and living conditions of families with children and for assisting young married couples. An allotment of M17.1 billion has been allotted for safeguarding the legal entitlements of recipients of old-age and disability pensions.

Minister Hoefner stressed: "It should be emphasized that the expenditures contained in the budget of the GDR capital, Berlin, for 1987 fully cover the financing for the measures decided on for further shaping our capital as the political, economic, scientific, and intellectual-cultural center of the GDR and for the celebration of the 750th anniversary of Berlin in particular."

MOTIVES SUGGESTED FOR U.S. SALT II VIOLATION

AU021107 East Berlin NEUES DEUTSCHLAND in German 29-30 Nov 86 p 5

["HE" commentary: "A Disastrous Step"]

[Text] By putting into operation the 131st B-52 bomber equipped with cruise missiles, the United States undertook a disasterous step. It deliberately and intentionally broke the SALT II treaty concluded in June 1979 and containing upper limits for strategic armaments for both sides, the United States and the USSR.

Although the treaty was not ratified by the United States, it was one of the few efficient barriers against the arms race. The administration in Washington had felt compelled to respect the limit -- under the pressure of warnings from abroad and also that of both houses of Congress, which only a few weeks ago once again appealed that the SALT II stipulations be observed until a new arms control agreement is concluded with the USSR.

Why the breach now? There are at least three reasons for that. First, the military-industrial complex wants new maximum profits at all costs, just as it does with the mad "Star Wars" program. Second, Washington's most reactionary circles want to get away from the agreements on arms limitation and disarmament which had come within reach in Reykjavik. They want confrontation instead of cooperation. Finally, the arms lobby, the politicians supported by it, and the first-strike strategists of the Pentagon aim at overthrowing the military balance and achieving superiority over the Soviet Union.

This is of course an illusion. But the breach of SALT II also means increasing the danger of sliding into a nuclear inferno. The peoples, including the Americans, will not accept that. Everywhere in the world the reactions and protests are strong. As far as we are concerned, we also resolutely condemn the U.S. step. We will unswervingly exert every effort to strengthen socialism and safeguard peace. A strong socialism, Erich Honecker said at the third Central Committee meeting, "will hamper the readiness for risks of those who back the policy of strength and not the policy of reason and realism."

MIODOWICZ ADDRESSES OPZZ CONGRESS 27 NOV

AU011409 Warsaw TRYBUNA LUDU in Polish 28 Nov 86 pp 4, 5

["Text" of speech by Alfred Miodowicz, OPZZ chairman and member of the Politburo of the PZPR Central Committee, to the 27 November session of the OPZZ Congress in the Congress Hall of the Palace of Culture and Science in Warsaw under the headline "The Congress of the Polish Reborn Trade Unions -- The Class Trade Union Movement Has Been Established From Scratch Despite Difficulties and Doubts"]

[Text] (PAP) -- Colleagues, delegates, esteemed guests: Over 4 years have passed since the Sejm passed the trade unions law. All trade union movement structures, which had been suspended for over a year, were then abolished. Aware of the indispensability of trade unions in a socialist state, the legislature created new opportunities and outlined a new framework for their reconstruction. There were to be the unions independent of the state administration, and economic administration; self-governing and shaping themselves independently. These unions were to be as we expected them to be from the August agreements: Unions as the working class and all working people wanted. We remember the mistrust and often hostility which activists who decided to fill the frame outlined by the Sejm met. Four years have passed; that is, dear delegates, the period which our statutory commission suggests for the current term of office and we are meeting today to critically assess our achievements.

Let us recall late autumn of 1982. How many of us could foresee then, that after 4 years we would represent a nearly 7 million-strong mass of trade unionists at the congress, and over 10 million working people? There were not too many optimists. However, we, the delegates present here, and our union colleagues, were the optimists. In spite of all the adversity, in spite of those in doubt about our success, we have created a class trade union from the ground up. We have used our 100-year-long tradition, the current needs of our class as its base. That is why, although not always we are satisfied with our union work, we can look at its effect with pride. The Polish, socialist, and class trade unions have become a political fact. [applause]

I think we have met the expectations expressed by the first secretary of the party Central Committee in his 1982 Sejm speech. I quote: We have confidence in the wisdom of the working class, its patriotism, and political thought. We believe that working people will reject the advice of false friends, that they will create their unions according to their real needs, and the needs of the People's Poland. End of quote. [applause]

We are the mass organization of working people. With their mandate we have the right to express our views to the state authorities and in the international arena. The working people have trusted us, so we have the duty to represent the interests of the entire working class and all Polish working people. We are the movement politically and programmatically integrated. The OPZZ brings together all national organizations. However, a small percentage of little factory organizations remains outside the national structures. We note, however, a constant and distinct process of them joining the federation or particular unions. [paragraph continues]

Therefore, we can state without any misrepresentation that full organizational integration is a matter of the immediate future. It is clear, however, that to improve collaboration among the federations, and to improve trade union structures various actions, constant effort, and improvement of the present solutions are still required. The union's construction is standing, and is serving working people. Two years ago the OPZZ was appointed. The first assembly, which deliberated in Bytom, put forward to the OPZZ and the whole union movement the task of spearheading it toward the Congress of Trade Unions. The task was executed yesterday. [applause]

We have closed a difficult and important chapter of our history. The Polish class trade unions are beginning their congress, the Congress of the Polish Trade Unions is a fact today.

Dear guests and delegates: For the Polish reborn trade unions the period of reconstruction, the period of creating and organizing forms of activity is behind. We have undertaken all issues considered by working people as most important. We have been able to define priority tasks and the ways of resolving them. We are represented in people's councils, and in the Socio-Economic Council at the Sejm. Today, our deliberations are attended by 50 deputies in their ninth term of office. I hope that they are present, that they were not frightened by the remarks which were addressed to us, as deputies yesterday. They are the members of the first union parliamentary group, our group in the Polish history. We must support them in an even better manner, as we did yesterday, and we must make use of their powers: for example supporting a deputies' initiative in undertaking work on a bill on the workers' holiday fund. It is aimed at creating workers' holidays, which have ceased to be a social benefit, and to make them a social benefit again available for people on average and low income.

We have closed a certain stage in the over 100-year history of the trade union movement in Poland. What we will begin after the present congress is a continuation of yesterday and today. The Polish trade unions, the reborn many-million-strong working people's movement, will be changing, although at the same time maintaining the principles defining our identity.

What are they? First: we are a movement that is open for all Polish working people. We have room for those who wish to serve Poland, those who devote their hopes, plans, and work to implementing the ambitions forever linked to the country between the Odra and the Bug, the Baltic and the Tatras, a country which is firmly part and parcel of the realities of the world as it is today, a country that is a part of the social alliance.

We are for a Poland whose center, whose state authorities that work out programs for the future, are situated in Warsaw and not in any other capital city anywhere else in the world. [applause] We are open to all Polish people, who have various political views. There is just one thing on which no differences can be tolerated: The Fatherland represents the highest value and it is the socialist statehood of the fatherland that represents its fundamental dimension. [applause]

Those who fail to link the good of the fatherland with the good of the people's state, those who will act so boldly as to risk its interests in the name of any goals whatever, will not find support among us; nor will they find any room for themselves among us. We are a class movement. We take, as our departure point, the interests of the working class. It is for this class, among this class, and through this class that we operate. Our program is a simple and clear one: We are organized to produce better and more in the improving conditions in which we live and work. We are organized so that what the people have produced can be divided up in an equitable manner, in the interests of our class.

Our basic goals are first and foremost to insure social security for all working people and their families. This means that we regard as fundamental the issue of safeguarding a standard of life commensurate with the results of one's work, effort and skill for those who perform this work. Moreover, we wish to create conditions that facilitate the personal development of each worker, engineer, teacher, and office worker; making it possible for them to raise to the greatest extent their own culture and their own personalities, irrespective of whether they work in mines, post offices, at sea, in steelworks, or hospitals.

This is how we understand it: All those who have talent and ambition, backed up by work and skills, must have the chance to advance in the widest sense of the word; they must feel certain that their successes at work will merit social recognition. It is not just that a junior clerical officer should be promoted to a senior clerical officer post; or that the team leader should be made foreman. What is at stake is that the thinker should be able to see the effect of his idea and that he ought to be honored for that. This is because a good worker ought to be given tasks commensurate with his capabilities, while honors and wages ought to be closely linked with the results of his work, irrespective of his position or the place he occupies on the official ladder. It is simply that the reason trade unions exist is to fight for a practical implementation of the fundamental principle of the socialist social justice: the more you give to society, the more you ought to get back. What a world of difference between this and, for instance, the lists of awards and bonuses which, at best, are posted on the notice board, but, in most cases, we learn of them quite by chance: that those who are high up in the hierarchy get a lot; while those who are on the lowest rungs of the hierarchy, get progressively less. Frequently these differences can be expressed in multiples and it is precisely this that constitutes a great misunderstanding and it is because of this that people are indignant, in the name of social justice as it is practiced in workplaces. Where is it written that every director must get three, four or five times as much as his frontranking worker, since this can be the other way round, too!

The reborn Polish trade unions, right from their inception, were for socialism. This is recorded in their statutes. This is because it is only this system that guarantees concern for the well-being of the working people and social justice. As has been confirmed by practice, the revolutionary gains of socialism are inviolable.

However, even though socialism abolishes exploitation, it does not automatically abolish the attitude of conformism I have just been talking about; nor does it abolish errors, deviations, or ordinary stupidity. This, too, we know from practice. That is why it is our view that the existence of strong, class-based trade unions, independent of the administration, serves the cause of strengthening socialism. This is because trade unions represent an integral part of the working movement, support its vanguard, the party, strengthen its links with the masses and, at the same time, bring to everyone's notice the expectations, hopes and problems that the working people have. They organize their work around the party's program.

However, at the same time, they are quick to spot -- and warn the party -- when the actions of the administration bodies on various levels depart from the working people's expectations. That is why the motivation and the effects of the social and economic acitivity of the working people; and hence their incomes, too, depend to such a great extent upon the proper cooperation between the trade unions and the party. The costs to be paid due to absence of partnership are high. Our party and the entire fatherland have had the occasion of painfully finding this out for themselves in the recent past.

How, then, do working peoples see us? What do they expect of us and how do they judge us? I will cite some statistics here.

Nearly 60 percent of those polled stated that we are, at the basic grass roots level accepted and supported. It is also very important that over 50 percent of those polled considered trade union activists people who are held in respect by the work force. This is a great achievement, is it being used fully?

Now for something different. We are often told that we are the most effective in defending the interests of trade union activists, whereas those taking part in the poll confirmed that we represent most fully both the interests of the union members and the entire workforce. Of course, there are areas where we are more effective; for instance, over 50 percent gave us a positive assessment in the sphere of cultural, sports, and recreational activities and in the sphere of defense of individual interests of employees the OPZZ has done a lot, for instance where it concerns the legal possibility of the introduction of extraordinary revision [rewizja Nadzyczajna]. We do not know a lot about this subject, but this is the fault of our information and propaganda departments which are not functioning too well yet.

During the poll a clear graduation of expectations has emerged of what people expect from the trade unions; action for wages -- 90 percent; working conditions -- over 85 percent; defense of the right to work -- nearly 80 percent. Please compare this with the situation in the labor market. Some economists continue to state that there are shortages of people willing to work and the people are worried about the situation in which there would be a shortage of work. Please note: defense of the right to work -- nearly 80 percent of people expect this from us and nearly 80 percent expect us to convey the opinions of the workforce to the authorities.

Our authenticity depends most of all on the strength and the position of the main body of the Polish trade union movement: works trade union organizations. The ranking of the trade unions in enterprises and increasing it as well as expanding their sphere of activities -- these are the supreme tasks of the national trade union organizations and the OPZZ. At this level we must continue to remember this. It is necessary to guard more effectively the interests of member organizations, create conditions for their cooperation, and to closely guard the democratic forms and independence in order to guarantee the strength and authenticity of the whole trade union movement. The trade union does not act in a vacuum. It is based on the work forces of specific enterprises. That is why the success of trade unions depends on the success of their enterprises and factories. When production is lagging behind, when the enterprise achieves poor results, then the trade unionists too are not doing well. The union cannot then gain much for its work force.

That is why we speak so often and so strongly on matters concerning the management of the economy and we are so much in favor of independence and self-management of enterprises. For us this means an independent enterprise, a workers self-government, and in an independent trade union. [applause] We see in the workers' self-government the guarantor of the creation of the internal motiviation and development of the thriftiness of work forces. Self-government is an expression of the workers' democracy; it decides on the participation of the working people in management. A good, wise self-government, which looks well into the future of its firm, is the best ally of the trade unions. Such a self-government is also an excellent platform for trade union activity, a chance to bring about production initiatives, a platform for joint decisions on the fate of enterprises and a way of securing the inerests of the workers. We support self-government, we shall continue to support it, work within it, and strengthen our activity.

The interest of the work force and the enterprise is the same but various conflicts are possible between the administration and the trade unions. According to numerous cases researched by the Supreme Control Chamber the trade unions are more often in the right. Such conflicts can be resolved to the benefit of the work force and in the interest of society when there are only two parties in a dispute: the trade union and the administration, and the work force is not divided and there is no chance of manipulation. We stated decisively in Bytom: Divisions among the work force serve only the manipulators and harm the workforce.

That is why in one work enterprise there is room for only one trade union: We repeat this today with all strength. It would be a good thing if those who are watching our congress, who look with mistrust at the development of the class trade unions, and who are not well disposed toward us and who would like to see the trade unions dividing people in an enterprise into various groups -- those for class matters and those for other matters -- understood this well. We are strongly unified and we shall continue unstintingly to defend this unity. [applause] Esteemed participants of the meeting, this reborn trade union movement was clearly political from the very start. Since the beginning we have been stating that we would act, and we are acting, in unity toward three goals:

Thus: we shall defend the working people's interests. Therefore, we are striving for an equitable distribution of what they have produced. We organize the work force for high-yield, effective work. We develop humanitarian values of humanism and the skillful use of these values. These goals are mutually interlinked and support each other. Certain factors made us concentrate most of all on protecting the working people's interests. We will continue to concentrate specifically on this area, since this is the main function and calling of trade unions.

Hence, these are the issues we put in the forefront of our work. We have been accused of wanting too much. This is true. After all, our fundamental demand is a better economy: run better, managed better. Everything else comes from it. [applause] Did we insist on new privileges? Of course, yes. However, above all, we protect those that had earlier been granted to certain professional communities. Did we want a radical increase of all old pensions and retirement pay? No. We merely called for ordinary justice, so that people who have throughout their working careers, spanning years, put a proportion of what they earned aside in their Social Insurance Office accounts should have these, so to speak, savings of theirs upgraded. This is exactly what we are doing.

Did we say that on no account would we work on free Saturdays? Not at all. Miners are the best example here and it is not just the miners. What we did say is: Do not get people to work in the factories on Saturdays if on Fridays they had nothing to do due to a shortage of materials.

We have always been against overtime work. It stretches the working time over and above all norms and this is because the normal work-time is not put to full use. We are for order. We are for paying for results of work and not for one's presence at work. We are against a situation in which you can get good pay only through overtime. [applause]

Some will say that instances of struggle for new gains did not take place: Rock quarry miners, for instance. However, the protest made by the Federation of Open-Cast Mining was simply a struggle for justice and ordinary common sense. This is because it would fly in the face of common sense if those who work on sedimentary rocks were allowed to benefit from the miners' charter while those who work in igneous rocks were not allowed to benefit from it.

In order to state this, one does not have to be a geologist or a miner. Vocational training teachers find themselves in a similar situation. Are they teacher, or not? Do they have the right to the teachers' charter, or not? The ministers of education, of finances, of labor, wages, and social walfare hear them out with concern and understanding. However, they make no decisions! What on earth are they waiting for?

Thus, this arena in which we have fought for the rights for working people has always been an arena of struggle for clarity and common sense. We understand the country's economic realities always invoked by the central administration. However, we cannot allow a situation in which it is the worker who pays for the crisis, while the combine makes itself richer from it; a situation in which it is the employee who has to pay the price for the employer's sluggishness.

During the latest conference of major workplaces in Poznan, our activists, more often than not, called for conditions to be created for the work forces to facilitate good work and for improving management. From this conference we can only conclude that it is organizational inertia, incapable management, chaos in the field of wages, cooperation, and so forth that represent the greatest irritant to the workforce at present.

In April, in the Nowotko factory, the self-same trade union delegates called for housing construction, and creating conditions to tap the social activeness accompanying the social movement for construction of work places and small cooperatives.

These facts are eloquent evidence that the reborn trade union movement sees a chance for social activeness; that it links the prosperity of individuals and professional communities and public groups with the prosperity of the country. We have no intention of shirking responsibility for resolving various matters. However, the trade unions can only bear limited responsibility for them, commensurate with the scope determined for them by the party during the 10th plenary session of the Central Committee, confirmed during the 10th congress; a scope defined by the Sejm in the Trade Union Act; a scope determined for us by ourselves through our statutes.

It is a matter for the administration to organize and, above all, arrange the work in such a way as to make sure that the expected results do not depend solely or the employee's goodwill and on his willingness to accept various proposals.

The instruments must be chosen to suit the conditions: They must be adapted to the working people as they are, here and now. As for our activeness, the professional activization of the working people -- this is already being demonstrated. Let me recall the numerous example of resumed labor competition. I would also like to recall our OPZZ talks with the Ministry of Labor, Wages, and Social Welfare, talks which have been protracted indeed, concerning the honoring of labor competition, since labor competition, the attainment of special results, above the norm, ought to be rewarded beyond the norm: beyond the normal handshake. [applause] Those who organize work, equipment for it, must also take into account the human factor within the work processes.

Such a person must bear personal responsibility of for instance he fails to consider the insufficient qualifications of his subordinates or their deficiencies or character. If such responsibility is not precisely and clearly divided, if it is not known who is responsible and for what, then there is a mess and general frustration. That is why we shall criticize, but we will not accept the responsibility for depriving our administration of competence. [paragraph continues]

Quite the contrary, all correct activities and attempts -- for instance if the issue of job certification results in an enormous debate and great misunderstanding which creates and finds its way to work enterprises and is wisely resolved, then the trade unions will (?participate) in this process actively. Let us repeat: the trade unions do not intend to evade the responsibility for the life of our country. Our point is to precisely place the competence and the range of responsibility, so that it is known who failed when something goes wrong and who should be, say, awarded for his merits following his wise and good actions. We think an improved social situation in work enterprises throughout the country can be achieved by creating a new social accord. The basis for this is given to us by the Law on Collective Agreements which envisages the signing of enterprise agreements. They can contain a clause on who is to belong to trade unions, what he is responsible for, and what his duties are, as well as the duties of the administration as regards the work force and what the work force is to be provided with. This will not be an agreement between the two opposing sides, this accord should have a form of an agreement between cooperating partners, linked by the single interest: the good of the firm and its employees. The partners must respect each other and cooperate together, but they have differing duties, competences, and ranges of responsibility.

The collective agreements will be created in the following sequence: first, in line with the law; second, in line with the skeleton branch accord; and third, in line with plant accords. The completion of social agreements should be carried out the other way round. They can be very fruitful with regard to the improvement to the functioning of the life of the society in our country. Noting the progress in mutual contacts between the trade union organizations and administration of various levels as testified by examples and facts, one can state that the bringing about of such understood social agreements is fully possible. On the other hand, on the basis of observing life with its positive and negative sides, this seems virtually essential. A general social agreement signed by the OPZZ and the government could contain many aspects which could move forward many problems which today are acutely felt by the working people and restrict the capabilities of the state, such as, in our opinion, the issue of housing, the protection of environment, and the alleviation of the everyday problems.

Anyhow, such a list of problems would have to be closely defined in negotiations. Through such an agreement, a great deal could be achieved; an increase in the social activity of working people and this activity could be channelled into solving the socially most important issues. This would be an agreement of a totally different type.

Delegates, we now have behind us the period of excessive belief that the fact of naming a problem, of announcing it, and arguing about it is enough for it to disappear from our life; for it to be solved and solved the way we wanted as well. How many hundreds of letters and proposals there were coming in to the OPZZ! How many complaints there were about trade union activists, about the whole movement, for saying, for instance, that a change in price policy is essential and there were then increases in the price of food. The OPZZ said loudly that the old portfolio pensioners were denied social justice, but the situation of the oldest labor veterans is not undergoing any essential improvement. We announced a program for rescuing housing construction but in recent years fewer blocks were built. One could mention many such matters. We often hear complaints from the workforce and in discussions among the aktiv, justified complaints too, that in spite of the trade unions having put forward the painful problems of working people, for the time being transformations have been few or carried out at definitely too slow a pace.

Different statements are made, full of disbelief in the strength of our movement. We must not disregard these voices; but neither should we give in to them and sink into pessimism. To admit that those who are spreading views about a general powerlessness are right, who regard every setback, every defeat as a disaster would be for our trade union activity to lose its meaning entirely. Disbelief and indifference is the enemy of consistency and only consistency fights for the realization of our plans and goals, in the implementing of the slogan which is the leitmotif of Bytom. Our goal -- socialism without distortions -- gives a profound meaning to the social trade union movement. Departing from it, whether by giving in to bureaucracy or by getting entangled in politically suspect games, far from the interests of working people, means the defeat of the trade union movement. We have experienced this and drawn the conclusions from such a lesson.

We know too today that, regaining our place in society, on the country's sociopolitical map, the trade unions have not gone out into unplowed fields. We have not come like to a performance in the theater, where our seats were reserved and kept for us by the usher. The thesis that trade unions are essential in the normal functioning of the country was formulated by the party. It gave and gives us support in rebuilding and developing our activity.

At the first national meeting of the reborn union movement at the Baildon Steel complex, Comrade Jaruzelski formulated a thesis on the partnership between the party and the trade unions. That meeting gave a boost and accelerated the reconstruction of the class trade union movement. The 10th plenum and the 10th congress later strengthened our positions. However, our place depends, first and above all, on ourselves, on union groups and their initiative and interest in the fate of a worker; on enterprise organizations, their determination, wisdom, and imagination in formulating and implementing programmes of activity at enterprises; as well as on their activity in national union organizations. It depends on to what extent federations and unified trade unions are able to select the most important issues relating to worker affairs of a branch or a professional group and effectively look after them. Finally, it depends on how firmly the OPZZ and the national organizations are rooted at their base; how they are able to listen and voice their views and on the basis of that articulate their stance. The entire system of consultation serves this very purpose; but one can say, it should serve this purpose, for it often is inconsistent and leads to manipulation. It has happened that consultation materials have not always reached all enterprise organizations. Often these organizations did not express their opinions, although the issues raised concerned all the people. This is also a problem of discipline concerning work teams, and our union discipline. The role of an activist is a difficult one and calls for responsibility to his members, that is those who put their trust in him.

It is necessary to be more aware of the fact that the leadership of trade unions at work enterprises and the leadership of all links of the trade union movement perform a role of servants to their work teams. This function of a servant puts them under an obligation to be in touch with the grassroots. That means the duty to talk to members often, so that there is a permanent link with the grassroots. In fact, a custom has been established by the OPZZ leadership, and this rule has been complied with for 2 years, that all the time, at least once a week, we visit a work enterprise and conducted a kind of vivisection of all what has been happening in Warsaw. I must say, personally, esteemed delegates, that it was here that we achieved a wider perspective. Here, in Warsaw, when one is watching the way of solving the simplest problems, one is sometimes totally amazed, because there is no issue that does not cause enormous trouble and enormous difficulties. To me such an issue is -- I would like to express here, comrade first secretary, a view of special significance, although it has not been expressed in this way in our report; this view concerns housing construction.

Well, I personally am convinced that, if we approach this problem in such an incompetent way, with such fear, with such a lack of faith in the solution, then not just a few years will have gone by before we meet with a great riposte from young and old, for there just cannot be a situation where it is being said officially that in some heavily populated areas, the waiting time for an apartment is no longer 25 but more than 30 years. [applause]

How can we state our achievements, on the progress which there undoubtedly is in our country, to a man who comes home -- for whom some things at his work, in the street maybe, in the transport system and in the shops have pleased -- and then he comes up against the hard reality: the wife and children, the lack of prospects for an apartment or a room sublet for 7,000 or 8,000 or 9,000 zloty, when his entire earnings often don't exceed 20,000 sloty? Well, it shouldn't be like that. It is my view, and I think the delegates will back me up, inasmuch as we have said in our resolution clearly, at the expense of other areas, at the clear expense, and review those assumptions in this respect, clearly review those assumptions which are in the national plan for the next 4 years; at the expense of other disciplines and areas, get housing construction off the ground. [applause]

Visible effects cannot come in 5 years' time, for in 5 years we will really be gripped by the throat. The visible effects should be there already in heavily populated areas and in small towns. It should however, be made possible to get sites quickly so that people can build for themselves. People organize housing construction excellently there, in any case. [word indistinct] it must be said that this is just as spectacular a success. It must not be so, that a problem as important as a roof over one's head, in a socialist country, should be such a far-off thing for healthy people, working for the good of their country to achieve. [applause]

We said in Bytom that the administration, and in fact one could say its bureaucratic part would not make our lives easy for us. At the beginning of the OPZZ's activity, we were proposed a share in the consultations on prices. Could we not participate in them? We had to, although we realized that trade union participation in this operation was a misunderstanding; for if a trade unionist is asked if he prefers dearer butter and cheaper bread, or if he prefers that the price of sausage should go up -- let's say by 5 zloty for boiled smoked ham and by 4 zloty for some sausage or other, or the other way round -- you put him in a very awkward situation.

We are against the method of constantly winding up the price spiral, deepening inflation, above all at striking a blow at those who have only their own abilities and desires to sell. [applause] We clearly said that such operations will have to multiply inducements to the growth of wages and this a growth justified by the rise in the costs of living, and not by economic efficiency. We demanded compensation for the drastic growth in the costs of living in the name of at least a maintenance of the standard of living of working people. In 1982, after the price rises, people reconciled themselves to a significant lowering of the cost of living, coming to 20 percent, according to some, and 25 percent according to other economists. Since then, we have attained significant progress in the supply of the market. True, the catastrophic predictions as to the fate of our economy have not been proved correct. Nonetheless, progress was not attained up to the level of social expectations. Society agreed to such serious sacrifices, as it expected, after the economic reform, an increase of competition, concern for the consumer, and, with it, a decrease in prices, which, for various reasons, did not however ensue. [paragraph continues]

That is why we drew attention to the fact that once only increases especially mitigate against workers and pensioners. For, even later increases in wages will not make up for the loss of expenditures. With inflation, and we repeat this here totally with the stubborness of a maniac, we especially repeat this to our planners, with inflation wages chase prices, and not the other way around, as it is attempted to convince us. Appeals for the understanding of the necessity of this operation will not alone bring results. They will never be understandable or accepted by working people in the long run, that is forever. Every year something. Working people can at most just meet expenses.

We in the National Trade Union Accord did not let ourselves enter into a discussion about the price of one egg, not even about the price of one egg and one ham.

Afterward, we undertook difficult work on collective agreements. I pass on to this straight away as this has a close tie with prices, thus also the effectiveness of our work with institutions. In fact, this was the continuation of earlier activities by many nationwide organizations. How many controversies there were with this, how much disagreement; how many false opinions. When it transpired that we were well prepared for substantive talks, that we were stubborn, that we had thought through and verified arguments, the largest caliber gun, economic reform, was wheeled out against us, to which arrangements were, apparently, to be totally subsumed. It was easy to demonstrate that we were motivated by a desire to bring order to a deregulated system of employment, wages, safety at work, and working conditions in general. We lost a lot of time, but we attained our aim. A law arose, which, true, does not fully consummate our expectations, but it will, however, allow us to undertake collective agreements. At a Politburo session in July 1985, we presented our proposals in the matter of housing construction.

I must say that I discussed the effects a moment ago and I do not want to return to the issue of housing construction again. I understand that some actions in this respect, our actions concerning the defining of our stance in the resolution, have been approved by the delegates here.

Yes, in our consistently presented opinions we emphasize that the path to economic acceleration lies through an increase in the number of initiatives and greater enterprising spirit, and thus through economizing, rationalization, and better organization; that it is indispensable to have courage while reconstructing our economy, that technical and technological progress can only be used in work enterprises when it is worth their while; even when our science creates a sufficient amount of technological progress. We claimed the same while talking about export, quality, and modernization. We say it openly: Inspections and appeals can help some actions but cannot induce and consolidate such actions. Economic results can only be achieved by a proper economic system. It is an obvious matter that in expressing our stand on economic plans we were always against excessive price rises, the reduction of expenditures on the social sector, and against the hard course concerning citizens and a lenient one toward enterprises; against substituting an assessment resulting from efficiency and economic sense with an assessment resulting from the driving force and relations with the central economic administration. Perhaps it is because of this some people, commenting on the recent meeting of the Executive Committee, at which the 1987 Central Annual Plan was being assessed, accuse us of a lack of realism and of wishful thinking. Realism to us, I am sorry, we are taught realism by work teams and the working people and their postulates and observations. The only agreements that we can give our support to are collective labor agreements. Let us give recognition in collective labor agreements to the best workers, give them a chance, give them a special wage. Then, they will be an example to others on how to work better.

This brings to mind a thought: The planning commission consists also partly of people who are elected and work there voluntarily. As it happened, and I must admit it in a self-critical fashion, as one of those who were entrusted with this collective activity in Bytom that neither the OPZZ Council, nor the Executive Committee, unfortunately, having had many grievances connected with the Planning Commission, have ever asked our representatives working in this very commission and active in the presidium of the commission to give an account of their activity. And this is (?what we have in common).

Comrades and delegates! Many of the matters which we promised in Bytom we would deal with, we have only partially solved. I must, however, repeat what we said yesterday -- that is that none of these matters have remained untouched. The reasons for this are plentiful: We were short of experience, we had too little strength; we were not always able to give each other the requisite support: one union for another, of one national organization for another. Another reason is the economic situation of the country: When there is not a great deal to go around it is difficult to share it. This is a fact which we take into account. We must tell people quite openly that we cannot have excessive appetites when the table is laid out most modestly and the meal thereon is of the dietary type.

The most important obstacle, however, to the implementation of our decisions is the resistance of that material with which we struggle each day. Anyway I would give a king's ransom to the man who, in the flood of binding legal solutions, manages to move about freely. Bureaucracy believes too often that it is blessed with infallibility, and that all that is good stems, or can stem, only from her and in her. For example, in the Stilton factory in Gorzow in 1985 there were 29 internal checks which concern, i.a., canteen meals, clothing, the protection of the social fund, remunerations: These are all matters which concern trade unions, on the basis of the law on trade unions, but the control team did not consider it to be appropriate to inform us about the checks and to undertake these checks together with the trade union. It is also the fault of that trade union which did not show an interest in what was taking place in its enterprise, in its field of action.

In the official gazette, the deputy minister of the construction industry announced the conclusion of work being done on making the principles of apartment exchanges more simple. Neither he nor the reporter mentioned that such a solution had been requested by the trade unions and PRON; that what was wanted was a change in the binding -- until that moment -- unfortunate regulation in this matter, which had been criticized by trade union organizations. Another example: In this very gazette one of the deputy ministers of labor, wages, and social affairs, talks about the future of pensioners and says that no harm will come to them from this ministry; not a word about the fact that it was the trade unions which did not agree to pensions and retirement benefits being calculated without taking living costs into consideration. What is the point of all this? Is this a battle for authority? Or for a patent for the infallibility of clerks?

Now the costs of living: It is proposed that they should be calculated without taking into account outlays for alcohol and cigarettes. Morally this is acceptable. The trade unions are unequivocally for the struggle with social pathology, of which one of the first symptoms and simultaneously one of the causes is alcoholism. [paragraph continues]

However since citizens spend more than 600 million zloties on alcohol -- oh! I beg your pardon, billions of zloties, and more than $100,000 a year, then one cannot say that they do not bear these costs. This is not true. We cannot mix up moral problems with sums, because this only serves to dim the picture of the real state of affairs. When we speak of living costs, when we transfer these costs to any other values and when we use any other sort of calculation, we must take (into account) all that which goes to make up the cost of living.

We talked about this at the 10th congress, for we constantly hear it from our workforce. We read about it in the letters written to the trade unions. Well, it is has to be said that the arrogance of the bureaucracy is growing dangerously. An example of this arrogance is the halting for years of the construction of a housing complex for the miners from Rymer in Rybnik. The mine is the owner of old apartment houses, in which the damp mold reaches up to the roof, where there is no water or other public facilities. There are, however, tiled stoves; but the voivodship conservator has taken a liking to that housing and won't give consent for houses which it would be uneconomical to renovate to be pulled down.

Is it not a sign of indifference, to proclaim the theses that our state is overprotective, when the level of social benefits is considerably worse, considerably lower than in other countries? This does not lessen, naturally, the state's effort to protect the living conditions of employees; but it is a fact that bringing up sensitive matters like social benefits in a situation where many families find it hard to make ends meet is a very dangerous and risky manipulation.

A second dangerous phenomenon is incompetence. In the OPZZ we meet with it during negotiations. When it comes to the point of reaching certain decisions, it turns out that the representatives of the other side cannot or are not authorized to approve them. We have to go back to the talks, but one rung higher. In everyday life, simple matters are referred upwards; let somebody else take the responsibility, as long as it isn't me. This method of behavior is no stranger to some of our trade union activists either. By its nature bureacracy is conservative and fearful of taking responsibility; but bureaucracy can be efficient and inefficient, however. If one permits such incompetence, it becomes an effective brake on progress of any kind. When it can afford to be arrogant too, it is a threat to proper social coexistence.

For this reason, it is our task as trade unions to give strong support to the party in its struggle against this phenomenon. We must use our control powers better, powers envisaged in the Trade Union Act. We think it would be right for the trade unions to get the right to stop government decisions which contradict the Trade Union Act. [applause]

Let us try to answer the question why we Poles, who have a considerable potential, cannot manage to use it effectively to overcome the difficulties quickly? Our society is not badly educated, after all. There is no lack of people with ideas. At various fairs we see whole multitudes of inventions. Poles are hard-working. It's not true that they are just waiting for the chance to take a nap or slip out, let's sasy, for a beer. Our workers on foreign building sites are a model of industriousness. One can see the immense enterprise of Poles in many fields. So why are social frustrations growing then? Why do people often get disheartened? Why do talented engineers do simple work, which does not need their qualifications? Do they get an education in economics there? In specific cases, the reasons vary. Colleague Stanislaw Bar spoke about those issues yesterday, among other things, when talking about the disastrously functioning economic system.

All of these, however, by the low quality of organization reduce our social and economic life. Some of the most straightforward of administrative functions are organized as if they were thought up to spite those who are to carry them out or make use of them. Inefficient adminstration, lack of consistency in the execution of a rational organization of life and work. This is the reason for many difficulties in everyday life. The truths of practice, poisoning the ordinary day of the average citizen demean the dignity of working people. We have even got used to this. But, can it be justified or tolerated further?

Our trade unionists work in all institutions providing services. That is true. The trade unions are not responsible for their organization, but they undoubtedly have an influence on it. It transpires that this influence is not always appropriate and in accordance with the expected. The attitude represented by the trade unionists from the Wroclaw Polar, who protested against the excessive rise in prices on their own initiative, was rare. There is no social pressure for higher quality of production and services, especially services provided by their own firms. As a whole professional movement, we must make clear to work forces that after we leave our firms we become consumers. The quality and prices of our services and our production rebounds on us, the consumers.

A lack of awe for the ordinary day is exacerbated by various social phenomena. People lack social order and just proportions in incomes. They want conditions in their life and work that would strengthen the friendly and positive ties among people, but it is not this way at all. I have to say that that which we call individual greed for the attainment of great quantities of money does not at all here constitute an ideal for our society. On the other hand, however, it constitutes a real circumstance. Very often, those who are far from work, far from our firms, far from production, have quite simply superb [word indistinct] for the economic and financial condition. [applause] On the other hand, those who live from the work of their hands are in a more difficult situation. People are tired of this struggle. The attitude that any old thing will do has entered into some of our work enterprises. It is an obvious thing that it does not end or start or end in the work enterprises. Will we be able to tear ourselves away from this indifferent quality in life and work? Surely, yes. The decided majority of truths, the most harmful truths, do not result from objective reasons, did not arise from the economic crisis. On the contrary, the crisis is precisely due to these easy justifications of disorder, incompetence, organizational and economic ignorance, self-seeking interest, bad will, bureaucratic pomposity and arrogance. [applause]

It does not demand a great outlay to resolve the majority of irksome matters that occur in everyday life, in work -- all that is needed is organization, discipline, responsibility and competence. It falls to us, the trade unionists, the significant role of fighting against the attitude of: anything is good enough. We must openly and bravely call things by their names; we must not allow ourselves to be afraid to condemn all that is ugly, bad, silly and harmful. That is the role that Lenin ascribed to trade unions; that is the road we must treat now and forever. We already know where concessions and deviations lead from this road. We have examples and encouraging experiences. For example, housing construction. It turns out that it was enough to point out, to condemn, to suggest... And only in certain places, in certain enterprises is there support for these great initiatives.

Our colleague, Bar, spoke of an example from Gorzow when, in a matter of several weeks, our construction workers built an excellent building. But, unfortunately, these are very rare examples and we cannot boast about them as yet. But these examples do exist -- and so do these possibilities. But one must also say that when people show initiative, when, for example, the Federation of Steelworkers Unions decides, with the strong support of those who are in our social fund for the health protection of steelworkers, to organize this fund, this large fund, which enables us, among other things, to expand the hospital in Siemianowice by several dozen beds for those who have been burned -- beds which are so necessary in our country -- then the Katowice Voivoda says, no, says that we must take upon ourselves the responsibility for the execution of this nearly impossible work [of expanding the hospital], this huge messed-up building which is to be called a voivodship hospital, a huge hospital, between Gliwice and Zabrze. And now the Federation of Steelworkers Unions is expected to assume this responsibility and use its social funds for this purpose. The building has more than 1,000 beds, and nobody can manage this construction work. So, since there are initiatiaves, and since we point them out but have only such possibilities as we are graciously allowed, let me say more: People make it possible for us to undertake activities, but in such a way that those who undertake social initiatives lose heart [spolecznej inicjatywie opadaja rece] and, in such a case, nothing is done. I have brought this up as an example of the thoughtlessness of the voivodship authorities when faced with such trade union initiatives.

Colleagues! Today, when we speak of the need to maintain the qualitative level of our life, we must also pay attention to the state of the natural environment in which we live and work. We cannot passively agree to a lack of appreciation for the topic of environmental protection and of health, to pushing these subjects aside and only deal with them at a later date. We cannot accept, uncritically, the opinions of certain economic activists who treat the devastation of the natural environment as a price that must be paid for the development of the economy. We must undertake actions that will raise the standard of ecological culture.

We should make all our colleagues who have influence over this situation aware that when they release dust into the air and pour oil into rivers they are polluting their own homes, poisoning their own families -- themselves and their loved ones. According to our experts, about 30 percent of the pollution could be eliminated without any investment provided we improve the understanding of the problem, and what we call culture when thinking of ecology -- what I will call the personal concern of every citizen about the state of the environment in which he lives. Our union members who service environmental protection equipment have a special role here.

We think that the state of environmental protection in Poland and the execution of legal regulations protecting the environment are highly unsatisfactory. One can achieve a significant improvement in this area with the help of social initiatives and coordinated actions. Here, Comrade Prime Minister, I appeal to the government, that employees of the ministry who are responsible for this should see to the issue of environmental protection in new investment projects. Unfortunately, we have examples and signals that when the cost of a new investment project is being examined, and when there is insufficient money, it is these undertakings and investment plans for environmental protection, or for improving working conditions, that are being axed by planners preparing projects. The issue is that this situation should not happen, that while developing new investment projects, and hoping that they will contribute to the protection of the environment, the situation in our country is, to the contrary, getting worse. [paragraph continues]

We think that we should coordinate our efforts. More and more commissions and clubs dealing with environmental protection are being established. It would be good if all of them acted under the auspices of one institution, for example the commission that has now been set up by the Council of State, so that they can be active there -- let us use this term, and coordinate their activities there. Otherwise the benefit of the activity of these numerous commissions is, unfortunately, limited, for they make scattered [rozszarpane], often conflicting decisions and plans.

Colleagues! Delegates! There are many matters involving the activity of our reborn trade union movement that we have so far only managed to touch upon. Among them there are issues that are particularly important for the harmonious development of our country and working people and relate to science, technology, culture, sports and tourism. In comparison to the extent of patronage provided by trade unions some time ago in these areas of life, a significant regress occurred in this sphere in the period 1980-83. Today we simply cannot afford a return to previous forms of work. We must look for new solutions. We must also be constantly aware of the fact that without cultivating these fields our activity is not complete. Among the many tasks, those concerning the popularization of culture are the most fundamental. The concern of trade unions about the amateur artistic movement is very important. This particularly concerns, among others, literary and artistic work and the development of amateur theater, music and pop groups.

To speed up the development of our country all enterprise cultural centers should also become centers popularizing the newest achievements of science, technology, and employees' inventiveness. We are thereby expressing our support for the universal access of the working people to their cultural heritage, for creating conditions for the creative participation of the working people in the cultural life of our country. The idea is to cultivate and develop the magnificent traditions. The idea is initiatives like the one created by the guest of our congress, bricklayer and writer Comrade Krajewski: the Association of Worker Creativity.

Brother and sister delegates! The trade unions have always taken an interest in work safety and hygiene, first and foremost because it is an important part of the great issue of humanizing work. Working conditions have a direct effect on the atmosphere in a workplace and above all on the employees' state of health. Observing the behavior of young employees, young people coming in to our firms, we notice what great attention they pay to working conditions, to the arduousness of the work, caused, among other things, by the technological process -- for example, work round the clock; arduousness resulting from the technological cycle itself -- for example, work in underground mining; arduousness resulting from a factory's out-of-date equipment. One of the allies of the trade unions in improving working conditions and also the functioning of social facilities, of which in more than one work place it has to be said, to put it mildly, that they are in a scandalous state -- one of those who can help us here is the Social Inspectorate. It received wide powers in the sphere of work safety and hygiene; in the sphere of the legal protection of work, about which we frequently forget; and also environmental protection. The good practice of the trade unions cooperating with the Social Labor Inspectorate has taken root. Unfortunately, it is not yet universal. The State Inspectorate is an important support for the program activity of the trade unions; it functions under the supervision of the trade unions, carried out first and foremost by the Labor Protection Council. [paragraph continues]

In recent months, the increasingly effective and efficient activity by the State Labor Inspectorate and its positive influence on the activity of social inspectors has been observed. Here, our trade unions in work places should be reminded of the statutory obligation to carry out a periodic assessment of the state of safety and hygiene at work; to act toward liquidating dangers; and also periodic assessments of observance of the labor law in the work place. To such issues, to this last issue of periodic assessments of observance of the law in the work place: here we are bound by the Trade Union Act, even stipulating that such an assessment should be carried out not less than once a year. In the joint trade union-government commission, we undertook work on amending the Labor Code. The further direction of work must take into consideration the recommendations of the delegates to our congress in this sphere.

The Labor Code is for us a particularly significant legal act. We demand broad consultation on this project. We think that at least 3 months should be earmarked for it so that all work forces can be reached, so that their opinions can be made known and the essence of the planned changes explained. The amendment should consolidate the position of the good employee, give him satisfaction and be understandable to him and be a protection for him. On the other hand, it should cause trouble for shirkers. It is to be supposed that on basic issues we will find a plane of understanding with the government as regards the draft labor code. We recognize the need to cooperate with the government on joint commissions examining specific problems and leading to a rapprochement of standpoints. The practice should be thus that both sides treat the partner seriously and the stance they take responsibly.

Negotiations can and ought to be hard. Often, even controversies will arise in them, but that ensues from different points of view on the same matter and that is understandable. Experiences hitherto allow for the statement that we mutually understand each others positions ever better. We started our experiences in negotiation from refusing to eat supper together, from controversy. Today, we can, well of course we were not asked to a joint supper a second time, but today we can, mutually and to varying degrees respect each other and move matters forward in accordance with social expectations.

As one of the first issues after the congress, we should undertake the matter of the second stage of the economic reform, clarify its history, and more consistently move to mutual activities to strengthen the self-management of the work enterprises. We should clearly clarify, but also convince ourselves -- that is, we should ourselves get some education. Did the first stage of the economic reform end in success and to what degree? And in that case, what will the second stage of the economic reform rest on? Insofar as we do not reply to these two questions in a fundamental way... in a clear way, in a way understandable to working people, it might then transpire that we engage in some completely incomprehensible activity. And for some this signifies: Is this not sometimes a drawing back? Is this not sometimes, let's say, at the cost of the setting aside of self-management in the work enterprises? Yes? Precisely at their cost, that of independence, which will not be a strengthening of the center. These are certain doubts which, the sooner they are clarified, the sooner they will make the people more aware of the second stage of the economic reform, and at the same time we will be able to be mutually active with regard to positive actions for the strengthening of those activities that are envisaged in the framework of the second economic reform.

Esteemed gathering! One of the areas in which our professional movement has significant achievements is in international activity. Cooperation with the professional movements of the socialist countries started the process of renewing contacts abroad. From the start of our activity, the trade union centers of the socialist countries supported us, especially the Soviet Union, the GDR, Czechoslovakia, Hungary, Bulgaria, and Romania. The unionists of these countries and activists at various levels were not miserly in their efforts and fraternal help during the very difficult period of the rebirth of the Polish trade union movement, and for that, today, at our congress of reborn trade unions, we sincerely thank them. [extended applause]

The return to the World Federation of Trade Unions opened a qualitatively new chapter in the history of the Polish trade union movement. It allows us to fulfill an active role in the world federation and also in its branch federations. This found eloquent confirmation at the 11th World Congress of Trade Unions in Berlin, where we put forward initiatives which met with approbation. In April of next year, the first session of the WFTU Bureau since the world congress is to take place in Warsaw. The choice of Warsaw by the WFTU leadership and Secretariat as the place for the session of the WFTU Bureau is a great honor for us and a recognition of our activity in the international field up until now. [applause]

I must, however, turn here to our friends from the leadership of the federation and say that this will also entail a certain additional cost, which will have to be covered outside the contribution, yes [passage indistinct].

Our congress, like the forthcoming congresses of the trade unions in the Soviet Union, the GDR, Bulgaria, the CSSR, Mongolia, and other countries, will undoubtedly make an important substantive contribution, serving to make even more dynamic the activity of the largest international federations of trade unionists and their largest representation, that is, the international federation, which today numbers more than 215 million members. Let the meeting of Comrade Gorbachev with the leadership of the WFTU be an inspiration. It has been emphasized that trade unions, in order to be able to properly fulfill their role, have to be independent of the administrative and state apparatus in their activity. From the platform of our congress, we turn to all the trade union centers in Europe with an appeal for the consideration of the possibility of calling relatively soon a conference of the trade unions on our continent. There are many subjects in common, and still more difficult and complex problems with which trade unions struggle. In our opinion, the conditions for an exchange of views and constructive dialogue between countries of varied sociopolitical systems serving the more effective defense of the interests of working people have matured. We suggest that the European commission attached to the WFTU should undertake the test of carrying out a survey on this matter. We lay our hopes on the enlivening of the regional activity of the WFTU. We count on the activation of the functioning of the European commission to bring results in overcoming the impasse in the bounds of our continent. We emphasize our solidarity with the trade unionists of the developing countries: Asia, Africa, and Latin America. They are active and live in especially difficult conditions. The coming to our congress of so many delegations from geographically distant countries -- but friends very close to us, especially the Frontline States -- is received by us with great emotion. We are with you, dear friends, in the difficult struggle which you are carrying on not only with imperialism, but also often with hunger, poverty, illness, and other social plagues. Pass on to the trade unionists in your countries our warm good wishes and expressions of solidarity in struggle. [applause]

We are profoundly convinced that, with this activity, Polish trade unions will make a real contribution to the struggle for peace and universal disarmament. We think that the halting of the insane arms race, particularly in space, will remove the specter of the nuclear destruction of mankind, thus enabling a return to the policy of detente and international accord, particularly in East-West relations.

We realize that real premises for an improvement in the situation in the most poorly developed countries can be brought by the halting of the arms race and the formation of a new, just economic order in the world. This requires joint and consistent work and struggle. The proposal that the leader of our state, Comrade Wojciech Jaruzelski, made at the United Nations, on, among other things, issues of counteracting the effects of neocolonialism or financial pressure serve all states and in particular the peoples of the developing countries.

The Gorbachev-Reagan meeting in Reykjavik, despite the fact that no agreements were reached, showed that, with good will from each side, one can have real premises and real hope for the continuation of the constructive dialogue begun in Geneva, with the aim of preventing military confrontation; of halting the arms race; and, in the longer term, of beginning gradual universal disarmament.

Unfortunately, the interests of the military-industrial complexes in the United States are blocking the possibilities of concluding such an agreement. The delimitation of nonnuclear zones, above all in Europe, and bilateral withdrawal of medium-range missiles in Europe would be a good beginning to the building of mutual confidence and security. The Polish proposal to convene in Warsaw a meeting of the signatories to the CSCE goes halfway toward meeting the expectations of working people and nations, not just in Europe, and we support it. [applause]

Brothers, sisters, esteemed guests, our congress is being closely watched by factory work forces, by the whole world of work in Poland, and also by labor veterans. They all place considerable hope in our deliberations. They are counting on the trade unions to effectively defend their interests. We must meet these expectations.

Yesterday I talked to our female colleagues who are delegates to our congress about the difficult situation they are in and about hopes they have in conversations touching on significant (?women's issues). When the congress ends with the adopting of some general resolution and the election of the leadership, this is -- let us put it this way -- what we shall come back to our work teams with. This also is one of the questions that we have to answer.

The congress of the Polish Reborn Trade Unions [Polskie Odrodzone Zwiazki Zawodowe -- POZZ] is closely followed in the world. Together with us in this hall there is a large group of trade unionists from all continents and this clearly shows the growing international status of the POZZ. The congress must reaffirm and consolidate this status. This attention should also extend to our place in the ILO. We have approached the government with a request to reconsider Poland's participation in this organization. In our opinion, participation in it would contribute to a constructive dialogue.

As we learned from a communique issued by PAP the Government of the PPR informed the leadership of the ILO about its decision to postpone its resignation as an ILO member by 1 year. In this way, Poland's leaving this important international organization was prevented.

We express the hope that a quick normalization of Poland's relations with the ILO will take place, but that we will not sit by idly and wait for these problems to be solved by the ILO alone. We should be there, take the floor, and present our arguments and counterarguments. It is often the case that too many cooks spoil the broth, and we think that the ILO should be dealt with by one ministry and not two, as was the case till now, because each one has a different stance in this matter. Perhaps this should be the Ministry of Labor, Wages and Social Affairs. [applause]

Colleagues and delegates, in the course of a debate of several days we shall close the all-union discussion on the basic materials and the POZZ program and statute. We shall give it the status of binding documents. We shall adopt a resolution defining the activity of the central union representation for the coming years. Which matters and issues should prevail in it? Having collected the comments made so far, one would think that the following issues should be included above all among the main tasks:

First, the struggle for social justice understood as opposition to the unjustified amassment of wealth, without work and the lowering of incomes of those who work well and in a creative and conscientious manner;

Second, protecting the standard of living of the working people in times of economic difficulties and permanent inflation, when wages always keep up with prices but never precede them. This is a difficult and complicated matter, and that is why we must, in the first place, defend the social provisions which protect the living conditions of workers families;

Third, we must raise the dignity of work; we must single out those who raise productivity and quality, those who instill creative fervor in their workplaces, who do not agree to carelessly executed work, who want better organization and technology and who are capable of introducing this themselves at their workbenches and in their areas of work.

Fourth, there must be an improvement in housing construction;

Fifth, a definitive, systematic regulation of retirement and pension benefits, the gradual elimination of old portfolios;

Sixth, more effective protection of working conditions, the improvement of health care and of the state of the natural environment;

Seventh, the elimination of the indignities of everyday life; this is a matter of market-supply and quality and a universality of services.

Colleagues, this short report of the most important tasks does not exhaust the program of trade unions nor those matters which we shall propose here and which will become the work topic -- which already, perhaps, are the work topic of those of our commissions which are to take care of these matters.

If we have left out such important matters as, for example, workers culture, the humanizaton of work, education, the training of cadres, and other things, it is not because we have not noticed these problems; quite the contrary: We see them most clearly and quite certainly they will find themselves included in the work of the new council and executive committee. They will also doubtless be the topic of the work of the national organization and the unions in workplaces. We count only those, however, which, in our opinion, are most intimately linked with the living conditions of working people, which are, for the unionists, the most urgent and the most important for today and for the immediate future.

Dear delegates, the program which we shall adopt here will have to be implemented in a complicated situation. Despite definite progress there are still difficulties in the economic and social life: Poland's debts, the imperfection of the functioning of economic mechanisms do not allow for excessively optimistic promises for the future. We must bear in mind that Poland's entry into the IMF and the necessities linked with that step -- forced economic activities -- may bring about specific tensions.

There are many matters which have been building up over the years, matters which are vexatious and hamper swift progress. We must take all this into consideration when we plan our own activities.

But it should never weaken this activity. On the contrary, it should cause an even stronger endeavor for more effective results. We have, however, basis to believe that we will be able to come out of the tunnel, that we will take a significant step toward solving the most important problems of working people, such that we can have evidence here that we are not alone in our concern and efforts for faster progress. Let us have a look for instance, at that which goes on beyond our eastern border. Let us glance at the great acceleration that is going on in the Soviet Union. Let us glance at what is going on over our western border, at the fact that the superb stabilization that is found in the GDR -- yes -- does not weaken activity for progress there, for automation. Let us glance at what is going on over our southern border, at our brothers in Czechoslovakia. All this, now is evidence of the fact that the question of technical progress -- introducing it -- is a matter of exceptional weight.

Delegates, the conditions for success in the carrying out of our intentions will be consistency, the universal participation of the whole aktiv and all the echelons of the movement in that which we will decide here today, in its introduction. We will achieve this when we attain the full control of trade union activities; when we are strongly present among the work forces, taking part in their life, solving their daily programs, and organizing them for effective work, for more effective opposition to negative phenomena. We will have credibility when we base our programs on the expectations and needs of working people, basing them, however, strongly on the realities of our life, and when every point of the program is written by us into the functioning of every union, every national organization, and also the OPZZ, and also when we support it with concrete facts, concrete solutions, that are understandable to working people and easy to check.

Colleague delegates, trade unionists and working people expect from us that here, in the congress hall, soundly and with dignity, but also firmly and decisively, we will speak of their affairs, that something important will ensue for them from these deliberations, improving their lives and perspectives for the future. Formal and particular matters will not interest those who gave us mandates for the congress. We will have to give reports to our electors on that which we decided here. Let us remember the hope that the Polish world of work places on us. We cannot let these hopes down. That is why I deeply believe that we will not let these hopes down. Thank you. [applause]

POLISARIO GUERRILLAS CLAIM ATTACK ON TRAWLER

AU031058 Paris AFP in English 1041 GMT 3 Dec 86

[Text] Paris, Dec 3 (AFP) -- The Polisario Front guerrilla movement said Wednesday its forces had attacked a Romanian trawler off the coast of Western Sahara, and accused Bucharest of supplying arms to Morocco.

The attack last month, claimed by the Polisario's representative in France Mohamed Sidati, was the first by the movement on interests of an Eastern European country.

Wednesday's statement was also the first allegation by the Polisario that a country of the Soviet bloc, which is generally supportive of the guerrillas in their war against Morocco, had been delivering arms to Rabat.

The previously unreported incident was seen by observers as a warning to Bucharest on behalf of the Polisario. The delay in publicising it was interpreted as a sign of embarrassment on both sides.

Informed sources said the Romanian trawler had been sunk after it was fired on last November 8. Three members of the crew, taken off by another boat, were injured and hospitalized in Nouadibhou, Mauritania.

The trawlers belonged to a joint Romanian-Mauritanian fishing enterprise.

The Polisario claims the waters, land and air space of Western Sahara belong to the Saharan Arab Democratic Republic it has proclaimed. It says they are a war zone and boats, vehicles or aircraft entering are liable to be attacked.

GREEK OPPOSITION PARTY DELEGATION VISITS

Meets With Totu, Others

AU271528 Bucharest AGERPRES in English 1417 GMT 27 Nov 86

[Text] Bucharest AGERPRES, 27/11/1986 -- From November 25 to 27, the leader of the New Democracy Party of Greece, Konstandinos Mitsotakis, paid a visit to Romania at head of a delegation, upon the invitation of the CC of the RCP. The delegation included Ioannis Varvitsiotis, Alexandros Papadhongonas and Andreas Zaimis, deputies, Evstathios Lagakos, adviser to the ND Party leader, other officials.

During the visit, the leader of the New Democracy Party of Greece had interviews with Ioan Totu, Romanian foreign minister, Ilie Vaduva, foreign trade and international economic cooperation minister; and with Nicolae Giosan, chairman of the Grand National Assembly. They approached questions related to the growth of bilateral ties, as well as aspects of the international life. Konstandinos Mitsotakis also met with the patriarch of the Romanian Orthodox Church, Teoctist Arapasu.

The visit to Romania paid by the delegation of the New Democracy Party of Greece proceeded under the sign of the excellent ties of friendship and collaboration established and growing between the two countries and peoples.

Ceausescu Receives Mitsotakis

AU262001 Bucharest AGERPRES in English 1919 GMT 26 Nov 86

[Text] Bucharest AGERPRES 26/11/1986 -- On Wednesday, November 26, the RCP general secretary and Romania's President Nicolae Ceausescu received the leader of the New Democracy Party of Greece, Konstandinos Mitsotakis, now visiting Romania at head of a delegation, upon the invitation of the CC of the RCP.

The guest conveyed President Nicolae Ceausescu a warm salute fromn the leadership of the New Democracy Party of Greece, as well as wishes of further success in his whole activity.

Greeting the guest, President Nicolae Ceausescu conveyed, in his turn, a warm salute and the best wishes to the leadership of the New Democracy Party of Greece.

During the interview, which passed in a cordial atmosphere, stress was laid on the productive cooperation between Romania and Greece and the joint wish was expressed to work for its more marked growth. Emphasis was placed on the great significance of steadily strengthening the manysided collaboration between Romania and Greece, between the two countries' political organizations and their parliaments, for the consolidation of ties of good-neighbourliness, cooperation and peace in the Balkans, for detente, cooperation and security in Europe and worldwide.

International questions were also approached, and concern was expressed over the grave and complex world situation, as a result of the continuing arms race, of the nuclear race, more particularly, they underscored that, under the circumstances, all states, the democratic and progressive forces everywhere, all peoples should step up their efforts with a view to checking the dangerous course of events, achieving disarmament, nuclear disarmament in the first place, politically solving all states of tension and conflict, by way of negotiations, and eliminating the use and threat of force from interstate relations. [punctuation as received]

Stress was laid on the particularly important role the European states play in the resolution of the complex international problems, especially in the achievement of disarmament and the ensurance of peace, in the consolidation of collaboration and cooperation among all the peoples of the world.

Considering the Soviet-American summit in Iceland as a positive factor, Nicolae Ceausescu and Konstandinos Mitsotakis underlined the great importance of the continuation of that dialogue for the conclusion of appropriate accords on the elimination of nuclear missiles from Europe as well as on other disarmament questions.

During the talk, the significance was emphasized of developing bi- and mutilateral collaboration among all the Balkan countries, of turning that area into a zone of peace, security, collaboration, good-neighbourliness and understanding, free of nuclear and chemical weapons.

President Nicolae Ceausescu reiterated Romania's stance on the ensurance of the unity, independence, territorial integrity and the status of non-aligned country of the Republic of Cyprus, and the peaceful coexistence between the two communities.

Konstandinos Mitsotakis presented his party's position on the Greek-Turkish relations and, more particularly, on the Cyprus issue.

In relation to the world economic situation emphasis was placed on the importance of a global solution to underdevelopment questions and the building of a new international economic order.

During the interview it was stressed that the strengthening of collaboration and cooperation among peoples, among political parties, whatever their political or philosophical beliefs, plays a major role in the attainment of mankind's lofty desiderata, in the struggle for the triumph of the ideals of peace, democracy and social progress of all the world nations.

The leader of the New Democracy Party of Greece pointed to the high appreciation shown in his country for Romania's foreign policy, President Nicolae Ceausescu's initiatives and demarches for the establishment of a climate of peace, understanding and collaboration world wide.

CEAUSESCU VISITS FARM MACHINERY EXHIBITION

AU271934 Bucharest AGERPRES in English 1900 GMT 27 Nov 86

[Text] Bucharest AGERPRES, 27/11/1986 -- On Thursday, President Nicolae Ceausescu of Romania visited a farm machinery and equipment show, inaugurated in the Romanian capital. Besides modern means of land melioration works mechanization, manufactured in keeping with the provisions under the national irrigation, drainage and soil erosion control scheme, the exhibits also include a series of military installations which will be used for agricultural purposes, following the implementation of the resolution regarding the five-per cent reduction of Romania's arms, troops and military spending, a motion that the Romanian nation unanimously adopted in the November 23 referendum. Those exhibits highlight the concern for the utilization of such equipment for peaceful purposes. Indeed, tanks, and artillery guns were adjusted to perform a wide range of operations, from digging large ditches and canals to working on difficult terrain. Other machines, which were adapted to serve a novel, efficient, purpose can be used now for land melioration and water management works.

Visiting the exhibition, President Nicolae Ceausescu, together with Romanian deputy permiers, ministers, executives of central institutions, of research and technological engineering units, and specialists working in various enterprises, analysed the stage of operations in the building of the fleet of farm machinery required for the fulfillment of the national land melioration programme.

[Bucharest SCINTEIA in Romanian on 28 November 1986 carried a similar report on Ceausescu's farm visit that added the following: "This working dialogue was attended by Comrade Nicolae Constantin, Ion Dinca, Gheorghe David, and Vasile Milea."]

CEAUSESCU RECEIVES DEPARTING PERUVIAN ENVOY

AU282133 Bucharest AGERPRES in English 1904 GMT 28 Nov 86

[Text] Bucharest AGERPRES, 28/11/1986 -- Friday, November 28, the president of the Socialist Republic of Romania, Nicolae Ceausescu, received Jaime Castro Mendivil, ambassador of the Republic of Peru in Bucharest, who ended his mission to Romania.

During the talk held on the occasion emphasis was placed on the fine ties between Romania and Peru, and the wish was stressed to further expand them, both bilaterally and in the international arena.

The Peruvian ambassador addressed keen thanks for the support President Nicolae Ceausescu, the State Council and the Romanian Government had granted him during his assignment in Romania.

CHEBRIKOV-LED USSR DELEGATION ARRIVES IN BELGRADE

LD021614 Belgrade TANJUG Domestic Service in Serbo-Croatian 1527 GMT 2 Dec 86

[Text] Belgrade, 2 Dec (TANJUG) -- A delegation of the Committee for State Security of the USSR Council of Ministers headed by Committee Chairman Viktor Mikhaylovich Chebrikov, member of the CPSU Central Committee Politburo, arrived in our country today. The high-ranking visitor and members of his delegation were welcomed at Belgrade Airport by Dobroslav Culafic, member of the Federal Executive Council and Federal Secretariat for Internal Affairs, and by his aides. Viktor Maltsev, USSR ambassador in Yugoslavia, was also present.

Immediately upon the arrival of the Soviet delegation, talks started between the delegations of the Federal Secretariat for Internal Affairs and of the USSR Committee for State Security. Culafic and Chebrikov, who head the two delegations, stressed that relations between the two countries are developing successfully on the basis of the well-known principles in which cooperation in the sphere of security occupies an important place. The two sides exchanged information about the current political-security situation in Yugoslavia and in the Soviet Union, and acquainted each other with the work of the two countries' state security services. The need to promote cooperation in areas of mutual interest was stressed, including measures to counter organized forms of international crime.

This afternoon Chebrikov and members of his delegation visited the Josip Broz Tito memorial center and laid flowers at President Tito's tomb. In the course of its visit, the Soviet delegation will become acquainted with a number of internal affairs organs and their specialized institutions.

LCY PRESIDIUM ON IMPLEMENTATION OF CONGRESS TASKS

LD022103 Belgrade TANJUG Domestic Service in Serbo-Croatian 1706 GMT 2 Dec 86

[Text] Belgrade, 2 Dec (TANJUG) -- At its session today which was presided over by Milanko Renovica, the LCY Central Committee Presidium discussed issues concerning the preparations for the session of the LCY Central Committee, which will analyze and assess the implementation so far of the resolutions and tasks set by the 13th LCY Congress.

It was stated that an intensive ideopolitical activity to implement the congress resolutions and tasks is underway in the basic LC organs and organizations. The activity is centered on the tasks of implementing the economic stabilization policy and a more successful functioning of the institutions in the political system. However, the report issued after the session stresses the results achieved so far are erratic, while the LC as a whole has failed to achieve the necessary level of mobility and determination in solving the key social and economic problems. This is partly due to the inadequacy of the LC's ideopolitical acumen and ability to take action, the imperfection in its method of work, and the ideopolitical activity in all the areas of our political and social system.

Particular emphasis was placed at the session on the need to strengthen the unity of action of the basic LC organizations and organs and to consistently implement the resolutions and tasks set by 13th LCY Congress, which met with joint agreement.

Stress was also laid on the binding obligation of all LC organs, from municipal committees to the LCY Central Committee and their representatives, to make a direct contribution by constantly improving the substance and methods of their work to enhance the role and raise the degree of responsibility of its members in basic organzations, and enhance their initiative to mobilize the working people and citizens for action to resolve open issues in specific localities. The Presidium also established a draft of the rules of procedure for the LCY Central Committee and its work.

SERBIAN ASSEMBLY ASSESSES EMIGRATION FROM KOSOVO

AU021044 Belgrade BORBA in Serbo-Croatian 17 Nov 86 p 3

[Milica Torov article: "Cooperation Against Emigration"]

[Excerpts] The fourth set of conclusions about the emigration of Serbs and Montenegrins from Kosovo -- which was unanimously adopted by the Serbian Assembly last week -- was assessed as the best and the most precise set of conclusions so far. However, there were some loudly expressed doubts about the conclusions changing anything; there were even some individual demands for undertaking special measures. [passage omitted]

Family Planning [subhead]

Previous conclusions did not present precise views on the birth rate. This latest set of conclusions have provisions for this: "The Republican Committee for Health and Social Policy and the Republican Committee for Education and Physical Culture will provide direct aid to the appropriate provincial organs on preparing programs on the basis of which family planning in the Autonomous Province of Kosovo would be influenced by the general and health education and upbringing as well as by social policy measures." [passage omitted]

Circumstances have imposed a new assessment: "As a result of losing trust in the organs of authority in Kosovo, the citizens of Serb and Montenegrin nationality have recently started to turn more frequently to the highest federal and republican organs, to send a great number of complaints and appeals and to come in an organized way and in great numbers to Belgrade to directly express their dissatisfaction with the new unconstitutional and unlawful acts of organs and individuals in Kosovo and to demand the protection of their constitutional rights and freedoms."

The following was not present in the previous documents either: "The members of the Serb and Montenegrin nations more and more often are announcing an organized and mass emigration from Kosovo, and with that in mind, they are turning to the communes on the territory of the SR of Serbia (excluding autonomous provinces) with requests for the provision of land for building houses as well as the provision of other conditions for emigrating."

Moreover, it has never before been so clearly and unambiguously said that the "constitutional and lawful powers of the republic and thus of its organs are not facilitating the direct undertaking of measures in the Autonomous Province of Kosovo." Nor has such a direct assessment about the lack of cooperation been made before: "Cooperation between the republican and provincial organs has not up to now been satisfactory in terms of either its content or its extent, a fact which has been and will continue to make it difficult for the republican organs to reply to the gravity of the problem with a corresponding contribution toward a faster change in the state of affairs in this part of the republic."

The result of all this was a firm view, clearly expressed in the introduction, that the emigration of Serbs and Montenegrins from Kosovo (significantly intensified this year) represents the "biggest political, moral, and social problem of the entire Yugoslav society." [passage omitted]

Proceeding from the fact that the problem of Kosovo concerns not only Serbia, delegates last week expressed unreserved support for the conclusion, which probably represents the most significant innovation and which obligates the delegates themselves: "The Serbian Assembly will, by the end of 1986, propose that the SFRY Assembly approve a Yugoslav program aimed at a halt in the emigration of Serbs and Montenegrins from Kosovo, a speedy return of those who left Kosovo, and the arrival of all those who want to live and work in Kosovo." [passage omitted]

The previous conclusions did not deal with the following matter either: "Within the efforts to ensure a fuller realization of the citizens' rights and a more efficient working of the delegates' system, the Serbian Assembly is proposing that the Assembly of the Autonomous Province of Kosovo fully examine the current territorial organization of the communes in the Autonomous Province of Kosovo, particularly from the viewpoint of the size and number of citizens, and bearing in mind the initiatives of some local communities to form new communes." [passage omitted]

EEC TRADE NEGOTIATIONS RESUME 2 DECEMBER

LD032048 Belgrade TANJUG Domestic Service in Serbo-Croatian 1549 GMT 2 Dec 86

[Text] Brussels, 2 Dec (TANJUG) -- Trade negotiations between a Yugoslav delegation and representatives of the EEC on the new 5-year trade conditions, which started in February this year as part of the agreement on cooperation between Yugoslavia and the EEC, are continuing in Brussels.

As TANJUG correspondent Dragan Blagojevic reports, the Yugoslav delegation spoke in favor of the least restricted entry of Yugoslav products to the EEC market and an increase in the volume and the balancing of trade, which would make it possible for Yugoslavia to eliminate the growing deficit, which reached $908 million in the first 10 months.

According to Ranko Radulovic, assistant federal secretary for foreign trade and head of the Yugoslav delegation, Yugoslavia believes that a higher level of trade with the 12 EEC countries should be reached with more advanced forms and cooperation so that it remains stable over a long period and is to everyone's benefit.